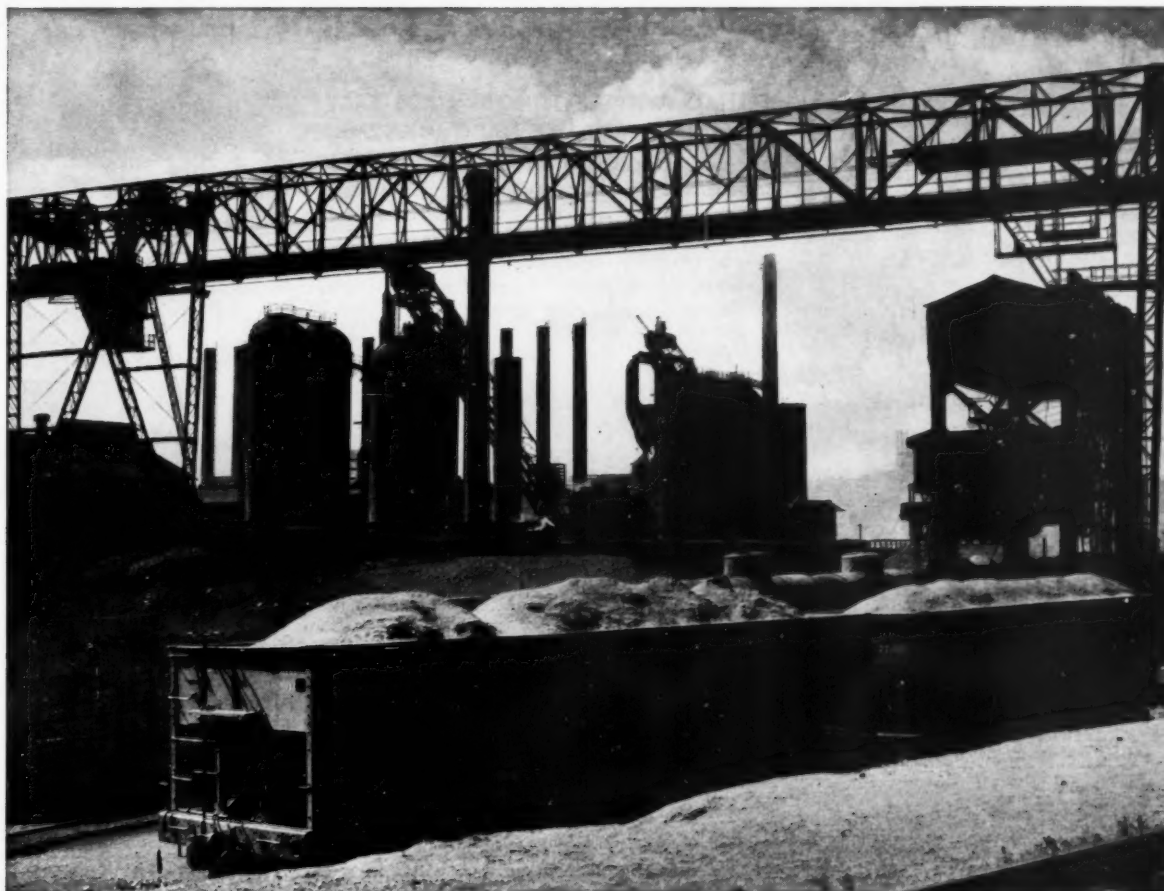


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REINSURANCE LESSENS THE SHOCK

The care and skill with which reinsurance contracts are drawn is the deciding factor in their usefulness.

We offer wide and extensive facilities in providing adequate reinsurance coverage under present day conditions.

1926 • TWENTY-FIFTH ANNIVERSARY • 1951

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CASUALTY, FIRE, FIDELITY AND SURETY REINSURANCE

THURSDAY, MAY 24, 1951

How much money are you losing by neglecting profitable truck and bus business?

SELLING AND SERVICING IS MADE EASY BY MARKEL-MEN LIKE HAROLD KITZMILLER

His job is to look for trouble. Harold supervises a team of Markel Safety Engineers who make regular mechanical inspections of Markel-insured equipment. This service—at no additional cost to the assured—helped cut accidents caused by mechanical failure a full 23% below the national average with correspondingly lower premiums through improved loss experience. Result? Markel Agents reap the benefits in easier sales, satisfied customers higher ratio of renewals.



*This is Markel service in action.
It pays off for Markel agents.*

Successful agents have made Markel the largest company of its kind in the world. Markel agents are successful because they have no servicing headaches. They spend their time on production.

Markel service offers you a source of untapped profits in bus and truck insurance, if you are an alert career agent with an eye to the future. Write for details.

MARKEL AGENTS OFFER TO THEIR PROSPECTS:

- 24-HOUR ENGINEERING SERVICE ALONG INSURED'S ROUTES
- EFFECTIVE accident-prevention program at no cost to insured, including:
- SAFETY MEETINGS FOR DRIVER PERSONNEL
- RESEARCH PROGRAM ON SAFETY METHODS AND DEVICES
- NON-PROFIT WASHINGTON BUREAU FOR ASSURED'S USE
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- NO RISK TOO SMALL—FLEET SIZE OR SINGLE UNIT OPERATION
- DAY AND NIGHT CLAIM SERVICE
- LOWER PREMIUMS BASED ON LOSS EXPERIENCE
- MECHANICAL INSPECTION OF ROLLING STOCK
- HIGHWAY DRIVER-CHECKS BY EXCLUSIVE CAMERA-EQUIPPED PATROL CARS
- TRAFFIC-HAZARD REPORT SERVICE

MARKEL AGENTS HAVE AVAILABLE TO THEM
A 10 POINT TESTED SALES AND PROMOTION PLAN
PLUS THE SERVICES OF 36 REGIONAL OFFICES.
MAIL COUPON NOW—YOU NEED NOT BE A SPECIALIST.

Markel Service, Inc., Richmond, Va., Dept. NU-5
GENTLEMEN: Please send me complete details on Markel Service.
I am interested in selling this coverage.

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HOME OFFICE:
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Look for this symbol of safety
on America's trucks & buses

MARKEL SERVICE INC.

"ELIMINATES THE CAUSE TO ELIMINATE THE ACCIDENT"

Exclusive Underwriters for the American Fidelity & Casualty Company, Inc.,
the largest stock company in the world specializing in motor carrier coverages.

Ga. Agents Sharply Oppose Commission Control by State

Albany Annual Meeting Elects Cook President; Resolutions Abundant

ALBANY, GA.—In the face of a commission regulation bill now resting in the state's adjourned legislature, the annual convention of Georgia Assn. of Insurance Agents at Albany, attended by nearly 350 persons, emphatically opposed by convention action state control of the commission structure.

Charles W. Cook, Moultrie, was elected president to succeed John R. Hall, Jr., Augusta. Harry M. Carter, John D. Carswell & Co., Savannah, was



John R. Hall, Jr.



W. M. Fambrough

elected 1st vice-president, and C. R. Morton, Columbus, 2nd vice-president. William M. Fambrough, Columbus Interstate agency, was reelected state national director.

Discussion of the commission regulation bill was led by its author, Rep. Girdean Harper, a local agent at Griffin. It follows somewhat the Mississippi law, except that it puts a ceiling of 25% and a floor of 15% on fire and extended coverage commissions.

Mr. Harper said he was motivated in drafting his bill by the fact that some companies are paying higher commissions in Atlanta than they are to their agents in Griffin and other sections of the state. Also, that he did not believe it fair for some companies to be forced to take the lower class business from an agency at 20% and watch the dwelling business and preferred classes go to the excess commission and specialty companies at 25% and 30%. A standardization of the commission scale, he contended, would put each company on a par in their underwriting acceptance practices.

Want Commission Increase

Following a lengthy debate on commissions in general the convention moved to appoint a committee to study the problem in relation to agency expenses, and followed that with a resolution ratifying the executive committee's action last February requesting the fire companies to increase their standard commission level.

Among the speakers were James F. Van Vechten, Akron, O., vice-president of the National association; William E. Webb, Jr., Statesville, president of the North Carolina association, and John H. Dillard, vice-president of Fireman's Fund, Atlanta.

Mr. Van Vechten said that a committee is investigating rumors to the

Fla. Code Bill Killed in House

The Florida insurance code bill met its Waterloo in the house, after having passed the senate. It was killed by the house insurance committee. This elaborate piece of proposed legislation is now dead. Due to extensive amendment, elements of the insurance business had withdrawn their opposition and as a matter of fact there were some insurance people that felt that it should be enacted and that it represented in many respects an improvement over the existing law. One report is that the death knell came because of a political situation that developed. The senate leaders, it is said, were very anxious to have the legislation passed and they exerted a great deal of pressure on the house to go along. Apparently the house balked at this and kicked up its heels.

R. M. Price to Ky.-Ind. Field for Appleton & Cox

Robert M. Price, formerly at Kansas City for Appleton & Cox has been transferred to Indianapolis as special agent for Indiana and Kentucky.

Warren L. Johnson, state agent for this territory, has been recalled to active military service and has assumed his duties as a major in the air force.

effect that the Methodist Church is going into the self-insurance field. He also denounced Anchor Casualty for entering into a contract with Montana Automobile Club to write auto insurance for members only at a 15% discount, with the understanding that during the policy term Anchor will not be liable for coverages which are in the club's membership contract—defense of P.D.L. claims, bail bonds, appearance bonds, and emergency car and road service. These coverages are not deleted in the policy, he said.

"How to Use or Misuse a Company Field Man" was the topic of Edwin W. Nash, state agent of Firemen's. A complete session covering the state's new safety responsibility law was held. Marion E. Bleakley, manager of Phoenix-London, described the new additional extended coverage endorsement which will be in use soon.

Hit "Switch-Over" Practice

It was brought out that some agents have taken unfair advantage of class rate reductions by suggesting to assured instant cancellation of other policies be made with an implied advantage to be gained by the so-called "switch-over." A resolution was adopted condemning this practice.

Mr. Webb's presentation on tax equality brought forth another resolution commending the National association for its efforts to correct this situation, and urging its pursuance of such a course. The membership endorsed this resolution unanimously, although many agents voting and a large part of the membership represent both stock and mutual companies. Georgia is said to be the largest mixed-agency state in the south.

Another resolution asks the next legislature to pass a motor vehicle certificate of title law. About a quarter of all stolen cars in the south are attributable to Georgia because of the absence of a title law, it was claimed by E. L. Cantrell, Rome, chairman of the resolution committee.

In the absence of Commissioner Zack D. Cravey, who was ill, Mr. Van Vechten installed the new officers. A distinct hit was made at the convention banquet by attorney Henri Alridge of Mobile, Ala.

Bare Chance Remains for Ohio All Line Measure

COLUMBUS—The multiple line bill has been reported out by the insurance committee of the Ohio house. Amended, the bill requires \$500,000 instead of \$300,000 surplus and specifies the types of licenses as follows: Fire, casualty, accident and health, title and multiple line. No one opposed the bill upon the final hearing by the house committee. Some insurance men are of the opinion that the measure will now be passed. Others say that has definitely been blocked and that this is the reason no one appeared to oppose it at the final hearing. The legislature is aiming for adjournment Saturday and that militates against passage. Ohio and Arizona are now the only states that stand in the way of full multiple line operations nationwide.

Discovers He Is Uninsured After Repairs, Sues Agent

In a case now before the supreme court of New York in Syracuse, the question is who will pay for repair of wind damage. The owner of the damaged building thought he was covered. After repairs were made he discovered he wasn't. Cosimo Crisofulli, owner of a commercial building, asked for a jury trial in a mechanic's lien proceeding brought in equity court by Joseph Paolini, contractor.

Paolini filed a lien for \$2,200 against the Crisofulli property for repairs after the Nov. 25 windstorm. Crisofulli alleges that the bill should be paid by Pasquale Bucci, an insurance agent, who, Crisofulli charges, hired the contractor. Crisofulli alleged that Bucci informed him his policy covered the damage. He charges that Bucci retained the contractor to repair the damage.

Crisofulli said that if he had known the policy did not cover the damage, he would have arranged to have repairs made quicker and cheaper. Bucci denies he informed Crisofulli that his policy covered the damage. Crisofulli also has commenced a negligence action for \$1,500 against Bucci for damages caused by the delay in repairs, which resulted in further damage.

Cleveland Board Elects H. K. Dawson President

Hugh K. Dawson, president and treasurer of Dickinson & Co., has been elected president of Insurance Board of Cleveland succeeding Charles A. Collier, president of Hawley & Reed.

Charles F. Steward, vice-president of Cleveland Insurance Agency, was named vice-president, and Joseph H. Bishop, Jr., reelected executive secretary and treasurer.

Mr. Dawson, who has been chairman of the legislative committee of the board and of Ohio Assn. of Insurance Agents, served as vice-president of the board for two years.

Notes Rising Values

The Associated Press real estate editor, David G. Bareuther, recently put through to AP papers a long story on the need of dwelling owners keeping insurance up to rising values.

Wayne Tackles Issue of Package Policy Rating

Sees Conflict of Jurisdiction, Danger of Indivisible Rate

One of the most intricate and difficult problems to confront Inland Marine Underwriters Assn. since its founding is how, when, and where and what should be done with expansion of the inland marine field which has been called miscellaneous, package, out-put, multiple line, etc., Harold L. Wayne, general manager, said in his report at the annual meeting in Skytop, Pa. The decisions to be made will shape the course



O. A. Ogden



F. B. McBride

of the business for all time, he declared.

Officers of Inland Marine Insurance Bureau were reelected: Chairman executive committee is O. A. Ogden, National of Hartford, and the members are G. S. Atkinson, Hartford Fire; J. H. Glinsmann, Royal; J. V. Herd, America Fore; Harold Jackson, W. H. McGee & Co., and P. W. Scheide, Phoenix of Hartford.

I.M.U.A. Reelects

Officers of I.M.U.A. also were reelected: F. B. McBride, Home, president; J. L. Powell, Chubb & Son, vice-president; L. M. Baldwin, Travelers, chairman, executive committee, and Mr. Atkinson, G. W. Coward, St. Paul F. & M.; D. F. Cox, Appleton & Cox; V. L. Gallagher, Pearl, and G. W. Nixon, Marine Office, members of the executive committee. Mr. Wayne was re-named manager of the two organizations and J. G. Bill assistant manager.

A feature of the meeting was the informal talk at the banquet by Superintendent Bohlinger of New York.

If it proves necessary for insured and advisable for insurer to package a risk in such a way as to produce a composite, indivisible premium for all the coverages in the package policy, which with but one exception is the case on all classes of inland risks subject to the jurisdiction of I.M.I.B., Mr. Wayne said, "the magnitude of the problem assumes proportions which defy description."

Who Determines Content?

Unless held in strict control and unless the answer is quickly found to the question of who shall determine what is to go into the package and when a composite rate or premium is proper, the business may find itself in a situation described by the popular song, "Any-

(CONTINUED ON PAGE 21)



H. K. Dawson

Four Kansas Field Groups Hold Jumbo Wichita Rally

Four Kansas field organizations at well-attended annual meetings at Wichita elected new officers.

Kansas Fire Underwriters Assn. elected George E. Erickson, New Hampshire Fire, president, succeeding O. D. Butcher, Hartford, Herbert J. Schoeppe, Commercial Union, was named vice-president, and Edward F. McDermott, Home, was reelected secretary.

Paul Cramm, Northwestern National, and V. E. Herbert, Loyalty group, were reelected president and vice-president respectively of Kansas Field Club of Western Insurance Bureau. J. Y. Dickerson, Loyalty group, was named secretary-treasurer.

Kansas Fire Prevention Assn. elevated Charles B. Frazier, Aetna Fire, to president and elected Deane S. Jaeger, Springfield F. & M., vice-president. W. S. Gibbons, St. Paul F. & M., was reelected secretary and presented a leather traveling case in recognition of his services the past three years.

C. J. Wintrol, Royal-Liverpool, was elevated to M. L. G. of Kansas Blue Goose succeeding W. W. Barrett, Fireman's Fund. Other officers are Edward F. McDermott, Home, supervisor; E. P. Janousek, Security of New Haven, custodian; George E. Erickson, New Hampshire Fire, guardian; Paul Foster, Western Adjustment,

were held for Charles B. Funk, Kanopolis, who had spent 30 years in the Kansas field. Elected to life membership were George L. Steeples, Home; Frank Scott, National Fire; J. E. Mott, Great American; O. C. Coldwell, Preferred Fire, and B. E. Marsh, Phoenix of London, all retired.

The model initiation team, headed by Robert W. O'Brien, Royal-Liverpool, initiated eight goslings. Wielder Paul Foster reported membership at 233, a gain of 14.

Committee reports at the fire prevention association meeting indicated a most active year. Four executive committee meetings were held. Irvin H. Thomas, Aetna Fire, Kansas national fire waste chairman, making a joint report for the affiliated and non-affiliated committees, reported 72 towns submitted reports in the 1950 Fire Prevention Week contest. In addition, inspections were made of several college dormitories, 133 local hospitals in addition to seven large state institutions with three to 13 pages of recommendations issued on each, and six towns. Membership was reported at 134 with 13 honorary members. Other committee reports indicated considerable activity.

Alpha H. Kenna, executive secretary of Kansas Assn. of Insurance Agents, complimented the association for the

tional defense or the national economy of the U. S.

"As passed by the Senate," the committee explained, "the bill also would have permitted provision of such insurance for foreign-flag aircraft owned by citizens of the U. S. . . ." regardless of their operations. The amendment leaves unchanged the secretary's authority to cover American aircraft generally.

In the provision respecting detention coverage, the committee struck out "by an enemy of the United States," which would have limited the kind of detention. The committee said this striking "was the method decided upon by the committee to resolve a rather difficult problem. . . in the light of present conditions the limitation is uncertain in its meaning and, in any event, would seem to be somewhat too narrow."

Only criticism voiced in the House concerning the aviation war risk bill related to its provision for a revolving fund. Rep. Heselton had misgivings, which he supported by submitting a letter and memorandum from Comptroller General Warren criticizing revolving funds in general and cautioning Congress.

It was suggested that not unlikely the Senate would accept House amendments and send the bill to the President.

Corey Named New Head of St. Louis Blue Goose

Arthur L. Corey, Travelers Fire, Peoria, Ill., was elected most loyal gander of St. Louis Blue Goose at the annual meeting. He succeeds Gerard W. Voshardt, Western Adjustment, who reported an all-time record membership of 275, with 22 initiated at this meeting.

Other officers elected were: Supervisor, V. H. Whaley, Missouri Inspection Bureau; custodian, Earl S. Hannan, Western companies; guardian, Stanley L. Bodman, Marine Office of America; keeper, Roger L. Brown, Underwriters Adjusting, and wielder, W. Ayton Cox, Geo. D. Capen & Co.

William B. Larkin, Missouri Inspection Bureau, was presented his 25-year pin.

Now Taking Applications for Ill. Tech Scholarships

Member companies of Western Underwriters Assn., despite the military situation and the apparent unrest of high school graduates, are continuing their scholarship program at Illinois Tech. Applications made now will be given serious consideration for the class to enter in September.

The first scholarship class at Illinois Tech has completed two years of study and in June the 12 members will receive their certificates in property insurance. Those who will get certificates and their sponsoring companies are: E. W. Brown, Springfield F. & M.; G. W. Bruckner, Fire Association; R. L. Desens, London & Lancashire; R. F. Drumm, Home; W. C. Friedl, London & Lancashire; G. M. Gavin, Hartford Fire; C. C. Gibbs, America Fore; W. R. Martin, Springfield F. & M.; R. T. McGrath, Aetna Fire; B. D. Murgatroyd, Hartford Fire; D. L. Smowton, Royal, and R. J. Stewart, Home.

Parley for Young Agents

Sponsored by Ohio Assn. of Insurance Agents, the annual young agents conference is being held this week at Granville. Robert S. Bishop of Columbus is chairman. Charles H. Eichhorn, Columbus, president Ohio association, will explain the legislative session and Arthur M. O'Connell, Cincinnati, vice-president of the state association, will talk on "Casualty Insurance, Past and Present." Nelson Lancione, Columbus, former assistant attorney general, will explain the new type financial responsibility law, and M. J. Pierce, educational department of Standard Accident, will talk about commercial surveys. There will be several panel discussions.

Fire and E. C. Claims Set Record in '50, McCain Declares

NEW YORK—More than five million policyholders suffered damages or losses in 1950 under their fire or extended coverage contracts, W. Ross McCain, chairman of Aetna Fire, said in his report as president of National Board at the annual meeting here. John R. Cooney, president of the Loyalty group, was scheduled to move up to the presidency.

This is by far the largest number of policyholders who had insured losses in any year, Mr. McCain said, and fire and E.C. will be looked upon as very tangible necessities by those whose properties were made whole again by insurance. With an average of 3½ persons in each family and two or three employees in each business, the number of actual, indirect beneficiaries of fire and windstorm insurance would be several times the number of policyholders, perhaps 17 million.

Fire insurance is a keystone in American life, he commented.

The more than 100 devastating wind and hail storms in the nation plus the Nov. 25 windstorm with its 1,250,000 losses and the South Amboy explosion in addition to regular claims put an unequal strain on the insurance machinery. The year marked an epochal advance in services of fire insurance to policyholders, yet figures show only a modest underwriting profit for the last five years, 2.1%, barely a third of the formula of the commissioners of 5 plus 1% for conflagration.

Fire and property insurance form a keystone of the credit structure, he added.

What the privately owned insurance business has done is on the record, what a bureaucracy can do is just skywriting, he declared.

Dr. Henry M. Wriston, president of Brown University, was scheduled to address the anniversary dinner.

Saal to New York Post, London Assurance Names Whittier in Indiana Field

Fred C. Saal, Jr., Indiana state agent for London Assurance for 2½ years, has been appointed agency manager at the home office. George F. Whittier succeeds him in Indiana.

Mr. Saal was in the air force during the last war. He joined the New York



F. C. Saal, Jr.



G. F. Whittier

office of London group in 1946 in underwriting work until his appointment to the field in 1948.

Mr. Whittier was graduated from the University of Wisconsin. After his release from the army he entered insurance. He joined London Assurance this year to understudy Mr. Saal in Indiana.

Ritter Appoints Parker

Wade Parker, formerly with Mountain States Inspection Bureau at Albuquerque, has been appointed special agent for the Ritter general agency of Denver. He will travel New Mexico.

John D. Ryder, manager of the George Horner agency, Uvalde, Tex., and G. O. Doughty, San Antonio, local agent, have been called to active duty with the air force.



Kansas Blue Goose officers: Paul Foster, Western Adjustment, keeper; C. J. Wintrol, Royal-Liverpool, most loyal gander; George E. Erickson, New Hampshire, guardian; W. W. Barrett, Meserole group general agent, past most loyal gander; Edward F. McDermott, Home, supervisor; E. P. Janousek, Security, custodian, and Nick Kleber, Phoenix of Hartford, wielder.

keeper, and Nick Kleber, Phoenix-Connecticut, wielder.

Mr. Wintrol was named delegate to the grand nest with Gene K. Thomas, Kansas City F. & M., as alternate.

Honor Station KANS

The National Board gold medal award for radio stations, won for the second consecutive year by station KANS at Wichita, was formally presented at the close of the annual meeting of the fire prevention association. The presentation also was sponsored by Wichita Assn. of Insurance Agents, which had nominated KANS for the award, the fire prevention committee of Wichita Chamber of Commerce, and the Wichita fire department.

Walter Gage of the arson department of the National Board made the presentation.

Especially honored was George Gow, chief newscaster of KANS, who was again responsible for the station winning the award. He was presented an honorary life membership in the fire-prevention association by the retiring president, John L. Vorse, Security of New Haven.

The Blue Goose meeting featured a golf tournament. The Sunflower puddle at Wichita was host. Memorial services

fine public relations results from the town inspection program and pledged cooperation of the Kansas agents.

Harlan Martin, St. Paul F. & M., was named Kansas district chairman of the National Fire Waste Council and heads the affiliated town committee for the fire prevention association. Dean B. Snapp, National Fire, head the non-affiliated town committee. They are in charge of year-round fire prevention activities in Kansas.

House Passes Aviation War Risk Measure

WASHINGTON—The House passed Monday the aviation war risk bill by a two-thirds vote under suspension of the rules, after limited discussion.

In its report on the bill, submitted by Rep. Beckworth, the committee on interstate and foreign commerce says Associated Aviation Underwriters had no objection to the measure.

Effect of one amendment, the report said, is to give the Secretary of Commerce authority to provide war risk with respect to foreign-flag aircraft "only if and when they are engaged in aircraft operations deemed by the secretary to be in the interest of the na-

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Program for Insurance Counsel Meeting Shaped Up

The program has been tentatively completed for International Assn. of Insurance Counsel's convention June 28-30 at White Sulphur Springs, W. Va. Commissioner Crichton of West Virginia will welcome attorneys and Stanley C. Morris of Charleston, W. Va., will respond. President Wayne E. Stichter of Toledo will present his report.

Discussion on proposed amendments to the bylaws will be handled by F. J. Marryott of Liberty Mutual, chairman membership eligibility committee. John A. Kluwin, Milwaukee, secretary; Forrest S. Smith, Jersey City, N. J., treasurer; F. B. Baylor, Lincoln, Neb., chairman memorial committee; George W. Yancey, Birmingham, Ala., editor of the Journal, and standing committees will report.

Forum on Pre-trial Practice

The afternoon of June 29 there will be forum on pre-trial practice with William E. Knepper, Columbus, O., as moderator. Some practical experiences with pre-trial procedure will be presented by Mr. Morris, L. K. Varum, Grand Rapids, Mich., and Roger H. Smith, Toledo. This will be followed by a discussion of liability and insurance for atomic energy operations, with Ambrose B. Kelly, general counsel of Factory Mutuals, and chairman fire and inland marine committee of the association, presiding. That evening there will be the president's reception.

Francis VanOrman, vice-president and general counsel of the American group, will open the June 29 session with a talk on home office counsel and make some general observations on local trial counsel. Another speaker will treat trial counsel observations on home office counsel.

Tax Liens Under Contract Bond

Walter A. Mansfield of Detroit will act as moderator of a discussion of government tax lien claims under contract bonds and government lien rights. E. L. Fisher, general counsel to the U. S. comptroller general, will take the government point of view, and George C. Bungo, Chicago, the surety point of view.

On June 30 Dr. Daniel A. Poling, editor of the Christian Herald, will talk on "What Price Freedom—Now?" Police Commissioner Thomas J. Murphy of New York will speak; followed by the election and the induction of the new president, Joseph A. Spray of Los Angeles.

The general entertainment committee is headed by L. J. Carey, Michigan Mutual Liability; ladies' entertainment, Mrs. Milton L. Baier, Buffalo; ladies' bridge, Mrs. George Schlotthauer, Madison, Wis.; men's bridge, H. Beale Rollins, Baltimore; men's golf, James B. Donovan, general counsel National Bureau of Casualty Underwriters; open forums, Lester P. Dodd, Detroit.

Keep Pot Boiling in Old Lapeer Mutual Squabble

LANSING — Diehard members of the long defunct Lapeer Farmers Mutual Fire, still fighting assessments after some 16 years, came here to petition Gov. Williams to demand an accounting from Commissioner Forbes before his resignation becomes effective July 1.

Despite repeated adverse decisions by the Michigan supreme court which have found no legal flaws in administration of the receivership, the group again charged the commissioner with "gross, wilful and flagrant official misconduct" and asked the governor to order a hearing before Mr. Forbes' official bond is discharged.

A Detroitier named Gilliland is credited with having kept opposition to the

assessments well-organized over the years and he and a Detroit woman attorney were among the leaders of the delegation which visited the capitol. Gilliland once was sent to jail by an Ingham county circuit court judge here who found him in contempt because of his conduct in interfering with progress of a hearing despite the fact he is not an attorney. Several of the myriad legal actions started by the protesting group still are in litigation in the courts despite the fact that no Michigan court ever has held with the dissident faction. Chief arguments advanced by the dis-

gruntled members centered around alleged mismanagement of the mutual, prior to the receivership, and to claimed lax supervision throughout the receivership when several commissioners and acting receivers were in charge.

Ohio Issues Warning on Cross Reinsurance

The Ohio department has issued a warning against fire companies that are licensed in Ohio, accepting by way of reinsurance, casualty risks originating in

Ohio. The department declares that the law prohibits any fire company from assuming in any manner or form the whole or part of any risk or liability covering property wholly or partially located in Ohio from any insurer not authorized to do fire insurance in Ohio.

J. J. Magrath, secretary of Federal, has been elected chairman of the fire patrol committee and a member of the board of New York Board. J. F. O'Loughlin of Royal-Liverpool is named vice-chairman of the fire patrol committee.



Sunk is right, unless that "outboard" is insured. In the past few years the ownership of outboard motors has grown by leaps and bounds. Even in communities far removed from waterways, sportsmen own them because of their portability. The dollar amount involved may be small, but there are plenty of prospects. And, it's a fact, "outboard" sales do open the door to additional business.

Now is the time to sell insurance on "outboards" and boats, yachts and all types

of pleasure craft. The important selling features of these forms of coverage are reviewed in the May issue of FIREMAN'S FUND IDEA INDEX. Issued monthly to all of our producers, the IDEA INDEX has proven to be a business builder. We are now making it available to any agent or broker, regardless of whether or not you do business with us. Mail the coupon today—see how the FIREMAN'S FUND IDEA INDEX can be used to increase your income.

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Glens Falls Men Are Advanced

Earle J. Machold of Syracuse, president of Niagara Mohawk Power Corp., has been elected as a director of the Glens Falls companies.

G. I. Davis, formerly secretary-treasurer, has been advanced to vice-president and treasurer, and promoted to secretaries were R. P. Crawford, J. H. Derby, Jr.; G. Earle Fox, A. L. Lowe, L. A. Kenney, J. J. Rourke and C. S. Willmott.

George R. Coughlan, Jr., was elected secretary and named assistant secretaries were Stephen T. Birdsall, E. P. Hutchinson and W. E. Mallalieu, Jr.

Career of Coughlan

Mr. Coughlan graduated at Brown and at Harvard law school in 1934 and practiced law at New York and at Glens Falls, and served as a navy lieutenant during the war before joining Glens Falls in 1946 as attorney in the loss department.

Mr. Birdsall has been with Glens Falls since graduating at Harvard in 1931. He has been underwriter in the compensation and liability department.

Mr. Hutchinson attended Syracuse university and was connected with Retail Credit Co. before joining Glens Falls Indemnity in 1928. He has been manager of the fidelity division. Mr. Mallalieu, who is a graduate of Wesleyan and whose father is the retired general manager of National Board, has been with Glens Falls since 1948 as director of education and research.

\$90,000 PREMIUMS INVOLVED

Am. Equitable Reinsures Dearborn Nat'l Fire Risks

LANSING — A contract under which American Equitable takes over all fire business of Dearborn National of Detroit, effective May 1, has been formally approved by Commissioner Forbes.

Only about \$90,000 premiums are involved since Dearborn has been restrained by the state from writing new business for the past year.

Dearborn National and Dearborn National Casualty, both controlled by David A. Broderick of Detroit, have been under a semi-custodianship arrangement and an effort is now under way to reorganize on the basis of a single new multi-line company for which \$1,250,000 in new capital would be provided. A receivership petition filed in Ingham county circuit court by the department has been held in abeyance pending outcome of the reorganization effort but Mr. Forbes said it will be activated immediately if the reorganization has not been completed by July 1.

U. & O. Underwriters Watch Defense Developments

Business interruption underwriters are watching developments in Washington closely and noted with interest bulletin M-4 recently issued by National Production Authority. This places a ceiling on use of steel in reconstruction of buildings damaged or destroyed by various perils at 25 tons.

Some underwriters believe that as diversion of steel and other vital materials into defense production increases, it may be necessary to put on a priorities exclusion, then sell U. & O. with the assumption of increased liability due to priorities by endorsement. This is what happened in the last war, when the rate was double for U. & O. with the priorities assumption clause in it. There was considerable buying of U. & O. for long terms, three, five, and in some cases seven years. The only problem here is that if insured desires subsequently to increase his coverage, he must purchase the higher priced, priorities assumed, protection to have concurrency.

The pattern of National Production

Authority is somewhat similar to that of the War Production Administration in the second war. Such places as theaters, amusement parks, etc., are the first to be put on the prohibited list. Reconstruction of such places is not permissible without special authority from NPA, something that is possible, however, on a showing of need.

Nebraska 1752 Club will hold its "fun day" and business session June 15 at Happy Hollow Club, Omaha.

April Fire Loss Record Up 2.2%

NEW YORK—Fire losses during April are estimated at \$62,965,000 by National Board. This is an increase of 2.2% over losses of April, 1950, but a decrease of 11.9% from March, 1951.

Losses for the first four months of 1951 total \$272,294,000, increase 8.3%

over the first four months of 1950. By months for 1951 and the two preceding years, losses are:

	1951	1950	1949
Jan.	\$68,686,000	\$58,323,000	\$57,926,000
Feb.	\$69,136,000	\$58,340,000	\$62,424,000
Mar.	\$71,507,000	\$72,468,000	\$67,218,000
Apr.	\$62,965,000	\$61,605,000	\$56,290,000
Total	272,294,000	251,236,000	242,859,000

C. E. Miller has been elected president of Denton (Tex.) Assn. of Insurance Agents.

An Advertisement similar to this appears in SATURDAY EVENING POST, May 19 and in NEWSWEEK, June 4



"The Baptism of Pocahontas at Jamestown, Va., in 1613"—painted by John G. Chapman in 1836, by order of Congress, for the Rotunda of the Capitol.

Peace of Mind

The baptism of Pocahontas brought a sense of security to Virginia's early settlers. It promised friendship with the Indians, and an opportunity to pursue their activities without fear of the destructive effects of armed conflict.

Similarly, the Great American Group of Insurance Companies brings security to businesses and

individuals, and makes it possible for them to develop their lives and interests without fear of the destructive forces that constantly beset them.

Call one of Great American's 16,000 local agents, or your broker today. He'll be glad to tell you how easily and economically you can avail yourself of Great American's reliable protection.

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ALL FORMS OF INSURANCE EXCEPT LIFE

Insured Is Not Bound by Cancellation Provision That Is Lacking in Certificate

Because the certificate of insurance that was delivered to the car owner of a car did not contain the policy condition provisions, and was simply a copy of the first page of the policy that had been delivered to the mortgagee, the insured was not bound by the cancellation provisions and an attempted cancellation on the part of the insurer was ineffective. This was the decision of the U. S. eighth court of appeals in Frieze, admr., vs. West American.

The policy ran from June 28, 1948 to June 28, 1949 and on Oct. 28 the insured was killed in an accident involving the insured automobile and two other cars in Missouri. On Oct. 1, 1948 West American mailed cancellation notice to the assured and his wife at their address stated in the policy at South Gate, Cal., and a duplicate to the bank that made the loan. There was no evidence that the insured who was then in Missouri knew anything about this. His wife, who had remained in California had started divorce proceedings.

The court said that the public policy of California is that the document constituting the original policy or a true copy shall be delivered to each "owner" in order that fraud or mistake in connection with the auto insurance transaction shall be prevented.

The insurer sought to escape this conclusion by construing the policy as a "master" policy and the certificate as a "certificate evidencing insurance under a master policy." This the court denied.

Mississippi Agents in Annual Session This Week

Mississippi Assn. of Insurance Agents is in session in its annual convention this week at Biloxi, the meeting beginning Thursday with committee gatherings.

Friday the schedule calls for the meeting to be opened with greetings from Commissioner White of Mississippi, the report of President H. C. Roberts of Canton, a talk by James Kraus, New Orleans, chairman of the public relations committee, and an address by T. M. Gray, executive secretary of the Ohio association.

There will be an executive session before lunch and golf in the afternoon, followed by a cocktail hour and a banquet at which a talk will be given by E. R. Rosse of Philadelphia on "The Safety Valve of Sanity."

On Saturday talks will be given by Professor Frank Watson of Mississippi State College; George F. Woodliff, attorney, on "An Agent's Legal Responsibilities"; Earl C. Treffry, Boston, Employers group on "Contented Customers," and John Carney, Eau Claire, Wis., representing the National Association.

Harold Wayne, head of Inland Ma-

rine Insurance Bureau, addressed a meeting of Mariners Club of New York. This was founded in March and now has 143 members.

Flaherty Chairman of Big Philadelphia "Funday" Rally

Insurance Society of Philadelphia has scheduled its annual "Funday" for June 18 at Melrose Country Club, Cheltenham.

Joseph P. Flaherty, assistant secretary of Home, has been appointed general



JOSEPH P. FLAHERTY

chairman of the outing. He has been in Philadelphia with the company since 1920.

Russell Hopkins is chairman of the parade subcommittee, and other chairmen are: Sports, H. B. Quinn; reception, N. B. Meade; tickets, Henry C. Preston and golf R. C. Palmer.

P. J. Rouse Joins American

American has appointed Philip J. Rouse as staff adjuster at Milwaukee, replacing Bill Green, who is being transferred to Decatur, Ill. Mr. Rouse attended University of Wisconsin and has been an insurance man five years.

Adjustment Probe in N. D.

BISMARCK, N. D. — Commissioner Jensen has ordered an investigation of insurance adjustment practices in North Dakota. He has instructed his examiners to inquire into and make recommendations concerning adjustment practices in automobile liability, P.D. and collision insurance, stating that numerous complaints have been received from policyholders.

He said these complaints indicate that adjusters are "using all the loopholes they can find in fine print" of their policies, especially in handling smaller claims. Not all companies are violators, he said, but the practice is widespread enough to require investigation. He added that some hospitalization and

A. & H. companies are doing the same thing.

Try to Make Vandalism Loss Fall Within Civil Commotion Coverage

A suit charging that vandalism damage done by a number of Boy Scouts to a once palatial home constitutes civil commotion within the meaning of the extended coverage endorsement has been brought in federal court at Chicago. The plaintiff is Liberty National Bank of Chicago as trustee for Villa Turicum Syndicate, which bought the Edith Rockefeller McCormick home and estate at Lake Forest, Ill., in 1948. The suit is for \$40,000.

The suit charges that a troop of Boy Scouts did this damage March 20, 1950, but Boy Scout authorities have entered vehement denial. There were some 4,000 lights of glass in the 64-room building that was put up in 1912 and practically all of these were broken. There was an all stone terrace leading down a bluff with balustrade urns, etc., and this has been extensively damaged along with depredations to doors and woodwork. The Scout leader who had been with the boys said they had done only a fraction of the damage and the Lake Forest police said there had been a series of acts of vandalism. Despite the fact that this building was a white elephant, there was \$300,000 insurance on it.

Two of the policies, those of Northern of New York and Pennsylvania Fire, had vandalism coverage along with extended coverage endorsement, but these policies only represented one-third of the insurance, and if claim were made on the vandalism count, because of the non-concurrency feature, recovery could be had for only one-third of the loss. Hence the aim of the plaintiff is to establish that it was civil commotion loss and thus make full recovery. There will probably also be a difference of opinion as to the amount of the damage. At the time claim was made it is understood the insurance companies estimated the total loss at far below the \$40,000 figure. The companies that had E. C. coverage but not vandalism are Centennial, Eureka Security and Safeguard.

By agencies the business was divided between the Edgar A. Stoffels & Co., Brickell, Anchor agency and L. G. Stewart.

The public adjusting firm of H. H. Herbst has been representing the assured.

Springfield, Mo., Agents Elect

Officers elected by Springfield (Mo.) Fire & Casualty Agents Assn. are: President, L. W. Ollis, R. A. Ollis & Co.; vice-president, James W. Kent, Murray & Kent, and secretary, Jess Hollar, R. A. Hollis & Co.

New Colorado Directors

V. D. Tonso, Florence, and Leonard Glaser, Durango, have been appointed directors of Colorado Assn. of Insurance Agents.

They will fill vacancies created by the resignations of Walter Kulp, Jr., now with National Fire, and Sam Butler of Pueblo.

Crabtree Resident V.-P.

Jack Crabtree, state agent in Texas for Founders of Los Angeles, has been advanced to resident vice-president in charge of its multiple line operations in Texas. Mr. Crabtree, who will continue to maintain headquarters in Dallas, has been in the business since 1929, having spent nine years each with Texas Inspection Bureau and America Fore.

J. R. Storm, Seattle agent, who underwent a kidney operation in a Santa Barbara hospital in April, while on a vacation trip, has returned home. He has made a complete recovery.

Notable Program Announced for Ark. Golden Jubilee

LITTLE ROCK—Final plans for the 50th anniversary convention of Arkansas Assn. of Insurance Agents at Hot Springs, June 14-16, were announced this week by W. Dan Cotton, president. Heading the list of speakers is W. Ross McCain, chairman of Aetna Fire, a native of Arkansas, who will speak on "Increasing Responsibilities of Local Agents."

Other speakers will be James F. Van Vechten, vice-president of N.A.I.A., "The 1951 Model," on agency-company relationships; H. Hamilton Moses, president Arkansas Power & Light Co., "People on the March," and E. H. Luecke, superintendent of agencies of Fidelity & Casualty, "Salesmanship and You the Salesman."

The 50th anniversary celebration will open the first general session June 15. Leon E. Wertenz, Fort Smith, immediate past president, executive committee chairman and chairman of the 50th anniversary committee, will preside. "Looking Back 50 Years," a historical address, will be given by Past President L. R. Martin, Pocahontas, who about 20 years ago was the first full paid manager employed by the association. He will be followed by Mr. McCain, who in the early years of the association was in the Arkansas field as a special agent.

At the business session Thursday afternoon for members only, President Cotton will report and Mr. Van Vechten will speak on "Riders." That evening the Order of the Purple Duck—the association's club for its past-presidents—will hold its annual dinner.

Friday noon, ladies attending the convention will be guests of Anderson & Newell, general agents, at a luncheon while the men will attend a stag luncheon given by Arkansas Assn. of Managing General Agents. The dinner-dance will be held Friday evening.

Plan Casper Agents Clinic

Casper (Wyo.) Insurance Agents Assn., and Fire Underwriters Assn. of the Mountain States are joint sponsors of an agents' clinic to be held at Casper June 6.

The program will feature talks by representatives of Mountain States Inspection Bureau, General Adjustment Bureau, National Automobile Underwriters Assn., National Board, and National Bureau of Casualty Underwriters.

In addition, the program will include an open forum question and answer session, a luncheon and a banquet.

Pearce Seattle Claim Chief

Jay Pearce, formerly with the Phoenix-London claim department at San Francisco, has been transferred to Seattle as claim manager.

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Fire—Chicago	6,000
Fire & Cas.—New Mexico	6,000
Casualty—Texas	5,600
Casualty—Washington	5,500
Casualty—California	5,200
Casualty—Colorado	5,000
Fire—Michigan	4,800
Fire—Ohio	4,800
Fire—New York	4,800
Casualty—Ohio	4,500
Fire—Missouri	4,300

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Hail Outlook Is For Only Slight Premium Increase

With the hail writing season now in full swing, the outlook is for premium volume to be only slightly above that of 1950. The unfavorable conditions in the southwest which contributed principally to the 25% reduction in premiums last year is prevalent again. In Texas and Oklahoma there has been a severe drouth coupled with an infestation of bugs, and the wheat prospects are poor. Kansas apparently may show a further reduction in volume because of bad crop conditions in the western part of the state.

Some of the loss in Texas business is being offset by the companies taking up writing of other crops, principally cotton.

In 1950, premiums of member companies of Crop-Hail Insurance Actuarial Assn. were \$24,857,961 as compared with \$32,738,347 in 1949. The expectation is that this year premiums will run about \$26 million.

So far, the writings are about 40% ahead of the same time last year, but the planting season is earlier, and this business is regarded as an advance in starting time rather than an increase.

The writings so far extend throughout the southeast and in Texas, Oklahoma, New Mexico and into Colorado and Kansas. The southern states are already experiencing losses, and in the southeast there has been some fairly widespread damage to tobacco and cotton.

"All-Risk" Flavor

The reduction in premium volume in the southwest has pushed the southeastern states into prominence as a crop-hail business-producing territory, and now North Carolina ranks as the No. 1 state premiumwise. It is expected to continue this ranking in 1951, and part of this will be the result of a new policy introduced by Rain & Hail Bureau in North Carolina and being written there by about seven crop-hail companies. This combines crop-hail and fire and extended coverage on the tobacco crop only, covering the crop from 15 days in the field until delivered to the warehouse (unless sold earlier). The policy is being written only in North Carolina. It is titled "Named Perils Seasonal Crop Policy." Adding fire and E.C. to the hail-coverage on tobacco adds an "all-risk" flavor to the crop-hail business.

Western Hail & Adjustment Assn. has conducted two schools for adjusters in the middle west at Oklahoma City and Omaha. At Omaha there were more than 200 attending, including almost every executive concerned with hail business in the western departments at Chicago. A. H. Post, Rain & Hail Bureau, was in charge as chairman of the local committee, and H. G. Bannerman, Hartford Fire, president of Western Hail, delivered some remarks.

One of the noticeable improvements in the crop-hail business over the years has been that in training of adjusters. Western Hail Assn. has developed the program of getting an adjuster who understands crops and then teaching him the insurance contract. This has proven to be successful and these per diem men are trained and retrained each year at the schools.

Adjusters' Speakers Listed

Four speakers for the annual meeting of National Assn. of Independent Insurance Adjusters at Dallas June 7-9 have been announced. They are: Guy Ferguson, head of Ferguson Personnel, Chicago, on "Short Cuts to Good Management;" John T. Even, assistant manager of Fireman's Fund, Chicago, "Business Interruption Insurance;" Felix L. Elkins, vice-president Pan-American Casualty, Houston, "The ICC Permit and When It Does or Does Not

Extend Coverage of Liability Policy," and Coleman Gay, Austin attorney, whose subject has not been announced.

Most of the association's business will be handled in a pre-convention session of the executive committee June 5-6, under the direction of Robert M. Hill of Detroit, president, and I. T. Swain of Evansville, Ind., executive secretary.

Big Debate at Regina on Socialism and Private Cover

A debate is taking place May 28 at Regina, Sask., between a primary advocate of state insurance and a battler for private insurance. This will be held at the city hall under the auspices of Saskatchewan League of Women Voters. Carrying the torch for socialism, which has made such inroads in Saskatchewan, is C. M. Fines, minister of finance of the province, while the case for private insurance will be handled by M. C. Holden, managing director of Wawanesa Mutual of Wawanesa, Man. This company is the second largest automobile insurance writer in Canada and Mr. Holden has been waging a valiant fight against the Saskatchewan government insurance operations.

Chubb Cover on Contents

Chubb & Son has extended its combined additional coverage for dwellings to dwelling contents.

The annual meeting, dinner and golf outing of the Mariners Club of Philadelphia will be held June 6 at Marion Golf Club at Ardmore.

Bar Insurance Program Is Partly Completed

At the first meeting it has ever held at New York the insurance section of American Bar Assn. will have a program varying from the normal. The dates are Sept. 17-19. Ray N. Caverly, vice-president and general counsel of America Fore, is chairman of the entertainment committee and has planned a dinner Sept. 18. The section gathering starts with a lunch Sept. 17.

There will be no round tables as in the past. Papers will be prepared, but instead of presenting them in full the speakers will give a brief summary at a general meeting.

In addition to administrative reports by the secretary, W. Percy McDonald, Memphis; membership chairman, Herbert L. Bloom, Chicago; and publications chairman, Harry W. Raymond, Uniform Printing, there will be sections on various lines, running consecutively: automobile, James B. Donovan, general counsel, National Bureau of Casualty Underwriters, chairman; aviation, George W. Orr, U. S. Aviation Underwriters; fidelity and surety, Alexander M. Heron, Washington; workmen's compensation, L. J. Carey, general counsel Michigan Mutual Liability; regulation of insurance companies, J. Roth Crabbe, Columbus, O.; casualty, David J. Kadyk, Chicago; compulsory non-occupational disability, Leslie P. Hemry, American Mutual Liability; ma-

rine and inland marine, Edward G. Dobrin, Seattle, and insurance law practice and procedure, Forrest A. Betts, Los Angeles.

On aviation George A. Smith of Atlanta will discuss admissibility of testimony of government investigators in negligence cases; Peter J. McBreen of U. S. Aviation Underwriters, legal implications of agricultural aviation; and Mr. Orr the status of the Rome and Warsaw conventions.

Bonding Session

E. Vernon Roth, secretary Surety Assn. of America, will view cumulative liability under surety bonds, and Fred G. Stickel, Jr., Newark, problems of bid surety refusing to write performance bond.

John J. Wicker, Jr., Richmond, will talk on employers liability for injuries due to war, and Commissioner Leslie, of Pennsylvania, the case for state supervision. Prof. Robert Miller of Syracuse University will talk on manufacturers liability to consumer, and John R. Baylor of Lincoln will give a casualty talk. There will be talks on New York disability benefits law and war hazards and non-occupational disability.

Hugh A. Mullins, New York, will make some observations on general average including the York-Antwerp rules of 1950. William M. Mortimer, independent adjuster of New York City, will view the role of the adjuster in inland marine insurance.

Mr. Betts will handle an unusual feature, a panel on trial tactics, with prominent plaintiffs' attorneys giving high points from their practice.



That's what the insured asks when he says—"I have a Boiler and Machinery policy on the equipment used in operating my laundry. Included among the objects insured are three extractors (drying machines). In the course of operation one of the extractors is improperly loaded and when brought up to speed is torn

apart by excessive vibration. Flying pieces of the extractor strike other equipment in the vicinity, doing extensive damage. The damaged equipment includes a washing machine, not insured under the policy. Will my policy pay for the damage to the uninsured washing machine?"

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Mutual Men Give Inland Marine Lines a Going Over at Chicago Rally

The inland marine underwriting conference sponsored by Transportation Insurance Rating Bureau drew about 90 mutual company men to Chicago last week for a 2½-day program that hit nearly all the high spots in the inland marine business and wound up with a half day's session on the new comprehensive dwelling endorsement.

W. H. Rodda, secretary of Transportation Rating Bureau, was in general charge. Most of the program was given over to panel discussions.

The agenda included a discussion of the personal property floater by T. L. Osborn, Jr., National Retailers Mutual, assisted by a panel consisting of E. V. Bradley, Lumbermen's Mutual, and J. C. Pike, Indiana Lumbermen's Mutual. In the afternoon E. S. Nowers, Liberty

Mutual Fire, gave a talk on motor truck cargo, and there was a discussion on this subject by G. M. Madden, Western Millers Mutual Fire, and F. E. Binninger, Indiana Lumbermen's. F. M. DuBois, Berkshire Mutual Fire, assisted by J. H. Nolan, Associated Reciprocal Exchange, and Mr. Nowers made up a panel on annual and trip transit policies.

Cover Scheduled Lines

The second morning there was a discussion on underwriting practices in personal schedule lines with Mr. Binninger in charge, assisted by W. F. Starck, Badger Mutual Fire, and F. D. Neumann, Millers Mutual of Illinois. R. J. Elliott, National Retailers Mutual, and Mr. Pike made up a panel on bailees' customers.

At the end of the morning session there was a talk by Clarence R. Conklin of the Chicago law firm of Heineke & Conklin, on "Recent Court Decisions of Interest to Inland Marine Underwriters."

In the afternoon F. F. Fowler, Federated Mutual Implement & Hardware, was chairman and a panel on specialized coverages consisted of D. N. Varney, Hardware Dealers Mutual Fire; H. L. Hjermstadt, Citizens Fund Mutual Fire, and Mr. Nowers.

prove unprofitable for the company and should be accepted only when investigation reveals that the insured is taking reasonable precautions to reduce the theft exposure.

There is increased activity in the deferred payment floater, Mr. Elliott commented. In spite of government control on credit, a considerable amount of goods is being purchased on time payments and many dealers have substantial unpaid balances.

The real problem in the underwriting and rating of this class, Mr. Elliott said, is getting an accurate picture as to the exact type of locations where such merchandise will be at risk in order to establish a proper basic average rate to which the transportation loading is added. In addition to the fire protection afforded the locations involved, it is desirable to develop as complete information as possible as to the actual type of occupancy, for this can have a very important bearing on the underwriting. For example, a leader in refrigeration equipment might have a large part of his business concentrated in meat markets, grocery stores and the like, while another dealer may have his business going into taverns, road-houses, outlying restaurants and similar types of business where the moral hazard is substantially higher than normal.

Need True Average for Rate

Most application forms call for the agent's estimate of the average fire rate, or fire and E. C. rate, and the experience has been that too often the agent will key such rate to the locations that are subject to the better protection, and are the more desirable type of occupancies. Should the rate be established on this average rate estimate, the company likely will find the premium inadequate to pay the losses that will result at the unprotected locations.

With increased cost of materials and the value of heavy equipment, many firms are showing interest in protection on their merchandise while being transported to the point of installation and during the installation period. There is now a good deal of activity being shown in the installation floater. Mr. Elliott stated that complete information as to the locations where property will be at risk as well as the occupancy of the premises have a most important bearing on the rates. Since much heavy equipment under this type of policy may be going into building under construction, there will be no published fire rate available on which to establish a base rate and the considered judgment of the underwriter will be required in order to develop adequate premiums.

The Friday meeting on the comprehensive dwelling endorsement led off with the talk of Geoffrey Christian of Northwestern Mutual Fire, who discussed the development and present situation of this form. Mr. Christian led an open discussion in which the participants were F. M. DuBois, R. J.

Elliott, Lumber Central, F. F. L. plement

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Elliott, F. E. Binninger, S. F. Coffin, Lumbermen's Mutual; E. J. Raabe, Central Manufacturers Mutual, and F. F. Fowler, Federated Mutual Implement & Hardware.

This endorsement has now been approved in 26 states and the District of Columbia, and the mutual companies are beginning to write it in some volume. There are 34 companies using the form, and during the discussion the question came up of how much supervision is needed by the companies in writing this business. Should it be attached to each policy? Should an inspection be made of each building taking the endorsement?

The mutual company endorsement is somewhat broader than the additional extended coverage endorsement that is now coming into use on the stock company side. The main extras offered are earthquake and wind driven rain hazards. The rate is 10 cents.

Kay Bay State President

George E. Kay of Fall River was elected president of Insurance Federation of Massachusetts at the annual meeting at Boston. Donald D. McPherson of Worcester, the retiring president, was elected a vice-president. Mary A. Blackburn remains as secretary.

Benjamin Priest, the general counsel, said the insurance measures of interest that remain alive in the legislature are the bill to modernize the standard fire policy; a bill to make the present scale of workmen's compensation benefits applicable to all outstanding claims and Gov. Dever's proposal for a state rating bureau for automobile insurance.

No. Kentucky Agents Elect

NEWPORT, KY. — New officers elected by Northern Kentucky Insurance Agents Assn. are Orville Noel, president; Ralph Simpson, vice-president; Henry W. Jenisch, secretary. A district meeting of the Kentucky association will be held here June 14.

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SINCE 1797

Agreement on Rating of Super-Protected Risks About Reached in N. C.

RALEIGH — Commissioner Cheek, North Carolina Fire Insurance Rating Bureau and companies, groups and associations writing insurance on special types of protected risks appear near an agreement on a problem which has been under discussion for more than a year.

The commissioner brought the matter to a head by announcing last Feb. 9 that he planned to withdraw, effective April 1, "all former approvals of any loss experience, data, schedules of rates, or deposits, forms and plans of operation" previously filed where rates other than the manual rates were used. He did not include ordinary deviations in the list.

This brought about a conference in his office on March 13 at which a hearing was set for May 16 and the commissioner agreed to delay putting his withdrawal into effect. The May 16 hearing turned out to be unusually brief. All of the companies and groups refilled their schedules and promised the commissioner that within a few days they would file amendments, which he requested, outlining in detail the types of special risks they would write under the special rates made possible by a statute on pools, groups and associations, and which risks they would write under the bureau rates.

The bureau, meanwhile, took the stand that its schedule of rates on highly protected risks had been filed under its general authority and not under the special statute. However, to clear up a misunderstanding, the bureau filed an amendment which Commissioner Cheek said he would discuss with bureau representatives at a later date.

Withdrawal Order Delayed

He promised to hold in abeyance a decision on the new filings of the special coverages until the additional information he requested was supplied. Also, he said his Feb. 9 order of withdrawal would be further delayed until a decision on the new filings.

Represented at the hearing were Factory Mutual Rating Bureau, by A. B. Kelly; Factory Insurance Association, F. D. Ross; Millers Mutual Fire, J. M. Donnelly; Improved Risk Mutuals, J. E. Phalon; Pennsylvania Lumbermen's Mutual, J. F. Braceland; Lumbermen's Underwriting Alliance, D. D. Funk; Associated Reciprocal Exchange, J. M. Wright and J. I. McCarthy, and Lumber Mutual Fire, L. E. Artz.

North Carolina Insurance Agents Assn. was represented by S. G. Otstot, its executive secretary, and North Carolina Mutual Insurance Agents Assn. by Harry Randall, its president. The bureau was represented by Landon Hill and W. T. Joyner.

The bureau's proposed amendment to its rating plan for highly protected risks reads as follows:

"Important—This rating plan is to be used in determining fire, windstorm, hail, explosion, smoke, leakage from fire protective equipment and damage by aircraft and vehicle insurance rates only on superior risks equipped in whole or in part with automatic sprinklers having adequate water supplies, in connection with which a particular inspection or engineering service and set of standards has been maintained by the insurer individually or as a member of a pool, group or association to the satisfaction of the bureau."

Washington Opening

Home was host at a buffet reception Tuesday at the Hotel Carlton at Washington in observation of the opening of enlarged offices in that city. The Home's building at 1522 K street, N. W., has been altered and enlarged, and was opened for business with its new look this week. George P. Schultze, who has been assistant manager at Wash-

ington since 1946, is promoted to manager. Chief executive in the office is P. Norman Fenton, local secretary.

A sizable delegation from the head office was on hand for the Tuesday festivities including President Harold V. Smith.

Cal. Associations Elect

Beverly Hills (Cal.) Insurance Agents Assn. has elected these officers: President, Leland Durfy; vice-president, Joan Wyman; secretary, Leigh Hardin.

New officers of Harbor District Assn. of Insurance Agents are: President, Charles Orlin; vice-president, Lynn Davis; secretary, Mrs. Laura Anderson; treasurer, Gladys Keil.

Plan Association at Craig

Following a meeting of the directors of Colorado Assn. of Insurance Agents at Craig, officials of the association met with leading insurance men in that vicinity to discuss the possibility of forming a local agents association there.

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GRIM WARNING

Statistics Don't Supply Oxygen Needed Today

NEW YORK—National Automobile Underwriters Assn. held its annual meeting here with President P. J. Priore, U. S. manager of Sun, presiding.

F. E. Sammons, president of Hanover, was elected president; W. B. Rearden, executive vice-president Loyalty group, vice-president, and Ellis Carson, president of National Surety, treasurer.

Besides the officers, the directors are E. S. Burtis, Crum & Forster; K. B. Hatch, Fire Association; A. T. Fleischauer Fireman's fund, and L. L. Luges, Motors.

The regional directors are: East, Tudor Jones, Aetna Fire; Pacific Coast,

J. M. Wylie, Springfield F. & M.; south, Manley Stockton, Hartford Fire, and west, C. W. Ohlsen, Sun.

J. R. Moore continues as secretary and manager.

The meeting was followed by a luncheon attended by 250.

There are a number of disturbing factors in automobile underwriting and they present a worsening future outlook, Mr. Priore said in his presidential report.

The upward trend in prices and scales is already appearing in claim costs with the full effects yet to be seen, he said. There has been a considerable increase in the last few months in the average amounts of claims paid. Experience indicates a greater rise in the average claims cost than in the percentage of frequency. The conditions are not yet being fully reflected in association figures, he stated, but at the end of the year they were 3% above last June and were mounting.

The great increase in number of ve-

hicles in use is taxing highways.

Discussing the problems involved in maintaining up-to-date statistics, Mr. Priore said, in stressing mounting costs, that the association should seek the support of insurance departments in promptly recognizing any needed rate increases and the conditions which justify them.

Insurance is suffering greatly from the depreciated value of the dollar, he explained. Statistics covering earlier years represent dollars of even greater value than at present, and probably in the future.

He summed up with the warning that these factors are likely to spell disaster unless "we recognize more quickly than statistics sometimes can reflect, the trends created by these rapid changes."

Clinton C. Allen, president of Aetna Fire, and William A. Rattleman, president of National Union Fire, have been elected directors of General Adjustment Bureau.

Offers Plan on the Commission Problem at N. Y.

NEW YORK—An approach to solving the fast-developing commission war in the New York metropolitan area was offered by W. F. Stanz, president of Brooklyn Insurance Agents Assn., who, at the last meeting, outlined a three-point program.

Eliminate the graded commissions to brokers in the territory because there is no justifiable reason for different commissions on risks in the same city, he counseled. It would save time in book-keeping, billing and accounting to companies, agents and brokers if there is just one commission to figure. Further, brokers' costs have increased just as those of agents.

15% for All Agents

Change the present over-writing commission of metropolitan agents to 15% in all boroughs because in New York agents produce and service more premiums for the companies than any half dozen states put together, he declared. No branch office of a company could be operated on the present over-writing commission of agents, if such office is charged with the over-all expense which an agent must pay.

Immediate steps should be initiated to raise the present minimum fire premium of \$5 to at least \$10 for any one policy year and \$25 for any 3-year term. Mr. Stanz said the present minimum is completely out of line. Every survey shows that such a small minimum premium policy is handled at a loss to broker, agent and company.

Companies, he stated, should be able to absorb the comparatively small increase in commissions. Some companies are paying both commissions to brokers and dividends to policyholders. Also, certain companies are known to be paying higher commissions to brokers and agents. If statisticians prove that companies cannot pay higher commissions, the time has come for increases in fire rates, he declared.

At present fire and theft and collision business shows definite signs of developing into a first class commission war. Certain companies are paying brokers 25%, a few companies are paying agents 35%. Most agencies, however, have been cut to 30% total. They cannot do business on 5% and consequently the volume of this business is going to those companies and agents paying 25% to brokers.

Treasury List Expands

The Treasury has approved several additional fire insurance companies as surety on federal bonds. These are, with underwriting limitations, as follows: Phoenix of Hartford, \$6,785,000; Standard of New York, \$722,000; Aetna, Fire, \$4,215,000; Franklin National, \$485,000; Connecticut Fire, \$2,200,000.

Richards Co. Gets Fulton

Richards & Co. of San Francisco has been appointed California general agents for Fulton Fire.

The officers and members of the Midwestern Territorial Conference of N.A.I.A. presented Arthur M. O'Connell of Cincinnati a set of sterling silverware for his service as chairman of the conference. Thomas T. Bryant of Walter Doll Co., Cincinnati, made the presentation on behalf of the members at the last meeting of Cincinnati Fire Underwriters Assn.

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CHICAGO

PLAN ROCKWOOD CO. BANQUET

The Rockwood Co. agency of Chicago is observing its 55th anniversary with a banquet at the Union League Club on June 1. There will be more than 100 brokers and male employees present. Guests of honor will be Jesse W. Randall, president, and Esmond Ewing, executive vice-president of Travelers. There will be a party for the women employees on June 28.

Substantial production gains in all departments were registered for the first

quarter with the fire and marine department in the lead with a 50% increase. Production records have been broken by the agency in each year since 1944.

HOME PROMOTES W. E. ROBINETTE

Willis E. Robinette has been made assistant manager of Home's Cook county department, Chicago.

Mr. Robinette, a graduate of Armour Institute, joined Home in 1938 as a special agent in Kentucky. He had previously been with Oklahoma Inspection Bureau and later Kentucky Actuarial Bureau. After serving as an officer in the navy during the last war, he returned to Home and was transferred to Chicago as a special agent-engineer.

DISTAFF EXECUTIVES ELECT

New officers of Insurance Distaff Executives Assn. of Chicago were installed at the May meeting. They are: President, Lucille T. Blakesley, Factory Association; vice-president, Ann Cate, Stewart-Keator-Kessberger & Lederer; secretary, Lillian Mueller, Underwriters Salvage; treasurer, Julia Prybylski, H. Dalmar & Co. agency, and historian, Marie Meade, H. & A. Underwriters Conference.

WALSH SETS OFF ON HIS OWN

Leo S. Walsh, formerly manager of the south side branch of Underwriters Adjusting Co. in Chicago, and recently associated with C. E. Umbright, independent adjuster, will open his own adjusting offices at A-344 Insurance Exchange, June 1. He will specialize in fire, marine and automobile adjustments. Mr. Walsh was elected president of Adjusters Assn. of Chicago recently.

THIEDE TO BELT & RICKER

Henry W. Thiede, for two years Ohio state agent for Dubuque F. & M., has joined Belt & Ricker, insurance advisers, as head of the fire department.

Starting in the business in 1929 at Chicago with Johnson & Higgins, Mr. Thiede later was transferred to Detroit as manager of the fire department. In 1944 he went with Marsh & McLennan there as manager of its fire department.

LAUTZ GOES WITH HUMMEL

August N. Lautz has left Engelhard & Co. to go with the W. Russell Hummel agency at Chicago. Mr. Lautz, who had been office manager for Engelhard, was with that office for 21 years. He entered the business at Chicago five years previous with H. Dalmar & Co. agency.

EXAMINERS' GOLF MEET JUNE 12

Association of Fire Insurance Examiners of Chicago will hold its annual golf tournament at Itasca Country Club June 12. Festivities will be concluded with a steak dinner.

James H. Miles has joined Planet as a fire underwriter at Chicago. He was formerly with Hanover.

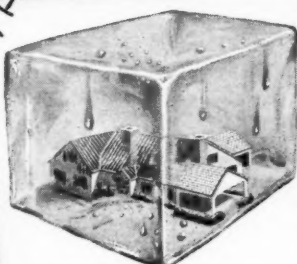
Carl Madsen, who has been with Mountain States Inspection Bureau at Albuquerque, has accepted a position with Springfield Fire & Marine in the engineering department at Chicago.

Donald Wood, Sr., of the Childs & Wood agency of Chicago is addressing a May 24 dinner meeting of Chicago Insurance Accountants Assn.

Tenn. Directors to Meet

Directors of Tennessee Assn. of Insurance Agents will meet at Gatlinburg June 25. Chief business for discussion will be the budget for the new year, a membership drive with a goal of 160 new members by Oct. 5 and final plans for the annual meeting Oct. 5-6 at Knoxville.

At a meeting of San Antonio Insurance Exchange the film, "Fire Saving," was shown through the courtesy of R. H. Bryson, Royal-Liverpool.



The Freeze is on . .

Rebuilding may be impossible

Our national advertising emphasizes the importance of fire prevention right now. If any one of your customer's property is destroyed, he may have trouble rebuilding, because materials are in short supply. Keep your customers aware of this situation . . . and promote fire prevention!

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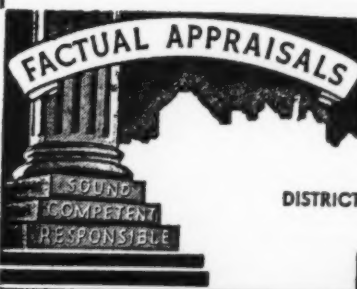
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NEWS OF FIELD MEN

Illinois Field Groups Plan Big Rally for June 20-21

Illinois Fire Underwriters Assn., Illinois Field Club and the Illinois Blue Goose will hold joint annual meetings June 20-21 at Nippersink resort, Genoa City, Wis.

The festivities will begin with a Blue Goose smorgasbord the night of June 19, and the next morning the I.F.U.A. and Illinois Field Club will have their business meetings and elections. In the afternoon there will be a golf tournament and entertainment for the ladies.

On the second day Illinois Fire Prevention Assn. and Illinois public relations committee will hold brief sessions

followed by talks by U. S. Rep. N. M. Mason of Illinois, and William T. Andrews, chairman of the U. S. Junior Chamber of Commerce "Americanism committee."

R. A. Fromel Crum & Forster State Agent in Central Illinois

Crum & Forster has appointed Robert A. Fromel as Illinois state agent to succeed Ralph C. Myers, who has resigned to enter the local agency field.

Mr. Fromel started with Crum & Forster 14 years ago at Detroit office. Following his discharge as captain in the army, he went to the western department, and after taking a refresher

course, was appointed special agent at Decatur, Ill. In 1948 he was called in to the Freeport office, and then sent to South Dakota as state agent.

He will have charge of the Decatur office and the central Illinois territory.

H. E. Wendt Is New M.L.G. of Nebraska Blue Goose

Nebraska Blue Goose at its annual initiation and banquet at Omaha elected H. E. Wendt, Western Adjuster, most loyal gander; Don E. Logan, Fireman's Fund, supervisor; Denman Kountze, Midstate Underwriters general agency, custodian; Frank Jenkins, Nolan & Co. general agency, guardian; Gay E. Miller, keeper, and Clive E. Heckenlively, wielder.

Speaker was Commissioner Stone of Nebraska who discussed general condi-

tions in the insurance business.

Thirty goslings were initiated and Mr. Stone was among these, as was E. C. Iverson, state fire marshal. A life membership certificate was presented to Charles D. Hohaus.

I. H. Worth New President of Bay State Field Club

Irving H. Worth, Liverpool & London & Globe, was elected president of Bay State Club at its annual meeting at Boston. He succeeds John E. Shennett, Crum & Forster.

Other officers are Robert H. Kuterus, Hartford Fire, vice-president; Frederick E. Grant, Caledonian, secretary, and Stanley A. Gibson, Phoenix-Connecticut, treasurer.

This is Mr. Worth's second term as president. He served in that position in 1945. This is the first time in the club's history that a member has been chosen for a second term as president. Committee reports indicated that the past year was one of the club's most active. Membership increased seven during the year to total 174.

Ypsilanti Is Inspected

About 40 members of Michigan Fire Prevention Assn. took part in an inspection of Ypsilanti. Richard E. Vernor, Western Actuarial Bureau, addressed a luncheon sponsored by the Kiwanis club.

Hartford Names 2 on Coast

Hartford Fire and Hartford Accident have appointed E. Harold Smart special agent at Spokane, Wash., and Marcel W. Pelletier at Oakland.

Mr. Smart will cover eastern Washington and northern Idaho. He has been with Washington Surveying & Rating Bureau, which he joined on discharge from the air corps. Mr. Pelletier, who replaces Harold Ensminger, Jr., has been with Hartford Accident in the payroll audit department since 1945.

Scans New FR Law in N. H.

Ralph Gould, safety director of New Hampshire motor vehicle department, discussed the new New Hampshire financial responsibility plan at the meeting of the Mountain Insurance Field Club at Manchester. The next meeting will be at Manchester Country Club June 4 and will include a golf tournament.

Morgan in Okla. Field Post

Robert V. Morgan has been appointed special agent for Northwestern Fire & Marine and Twin City Fire for Oklahoma. He has been in the local agency business at Oklahoma City.

Cassidy to D. C. Post

William E. Cassidy has been named special agent for Washington and part of Maryland, for America Fore, taking the place left vacant by the death of Raymond C. Karge. He was previously inland marine special agent at Philadelphia.

E. M. Lee Joins Security

Security of New Haven has appointed Ernest M. Lee special agent for western Texas, with headquarters at 1103 Eighth street, Lubbock. He has been with Firemen's.

R. T. Johnston in Mo. Post

Robert T. Johnston, formerly special agent in Ohio for Aetna Fire, has

Conn. Licensing Bill Passed

The Connecticut general assembly has passed and sent to the governor a bill changing financial requirements for licensing non-resident and foreign fire, marine and casualty companies to conform with requirements of other states.

The assembly also completed action on the new A. & H. standard provisions bill.

WANT ADS

Rates—\$13 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline 5 P. M. Monday in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

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CALIFORNIA CORPORATION NEEDS INSURANCE EXECUTIVE

A large well-established food company needs an insurance director—a man who can take complete charge of its insurance department. Operations are nationwide with headquarters in Southern California.

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This is an excellent opportunity for a capable man. The position is permanent, and salary will be commensurate with qualifications and record. Replies will be held confidential.

Write F-32, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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Responsible fieldman wishes to acquire all or part of a good local agency in a nice town in Colorado or New Mexico general area, preferably one combining real estate with insurance. Please write to F-27, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

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CASUALTY UNDERWRITER

Excellent opportunity for young man qualified to underwrite automobile, general liability, burglary, glass and assist in operation of home office Casualty Department. In response please indicate in detail experience and salary requirements. Address F-29, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

CASUALTY FIELDMAN

Desired for Eastern Michigan. New position involving production of Casualty business with established agency contacts. Opportunity to progress in accordance with ability and results obtained. Address F-30, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

AUDITOR WANTED — MICHIGAN

Need auditor for major stock casualty company to travel Michigan. Can live Detroit, Flint or Lansing. Reasonable salary, car furnished. Fidelity and Casualty Company of New York, 2300 National Bank Building, Detroit 26, Mich.

WANTED Casualty Actuary

By large Pacific Coast Insurance Organization. Experience in Workmen's Compensation Insurance and membership in Casualty Actuarial Society preferred. Permanent connection—salary open. All replies confidential. For further information Address F-19, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

SPECIAL AGENT WANTED

for Indiana by progressive independent stock company. Headquarters preferably at Indianapolis but not mandatory. Must have casualty field or home office experience. Excellent opportunity for future with attractive employee benefits. Salary commensurate with ability. Address F-24, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

CLAIM SUPERVISOR

Involving Michigan and Indiana for Casualty lines including complete Automobile coverage. Home office position and will require training and supervision of staff. Advise qualifications and salary desired. Address F-31, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

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Combination Claim & Loss Manager. Law graduate. 6 years experience in 8 southeastern states. Fire, Casualty & Compensation. Salary \$7,500 to \$10,000. Address F-33, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

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AVAILABLE

Insurance Executive with 25 years experience in Multiple Line Casualty field covering Underwriting, Agency development, accounting & statistical departments; desires field work with reputable company in Iowa-South Dakota-Minnesota-Nebraska territory. Address F-35, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

AVAILABLE Casualty Adjuster

Experienced in all lines of casualty adjusting. Ten years of selling and adjusting. Forty years old, married and home owner. Would like to stay in Wichita, Kansas or locate in Topeka, Kansas. Address F-37, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

CASUALTY UNDERWRITER

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Must have casualty insurance accounting experience. Good opportunity with a young California Casualty Company. Give experience, age, draft or reserve status and salary expected. Replies confidential. Address F-13, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

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Progressive Texas multiple line writer has opening for man or woman accountant with complete Home Office experience in I.B.M. procedure and compilation of statistical reports. Texas experience preferred but not essential. Address F-36, The National Underwriter, 175 W. Jackson Blvd., San Antonio, Texas.

AVAILABLE

Junior Executive under 40 seeks change for personal reasons. Home Office schooled, well versed in Production, Underwriting and Claims. 15 years' experience in Fire, Marine, Casualty and Bonds. Draft exempt. Best of references. Address F-36, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

BROKERAGE CLERK

Chicago branch office of established fire stock company wants brokerage clerk. Knowledge of fire and allied lines, policy forms and coverage essential. Give experience, draft status and salary expected. Address F-38, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

WANTED

Experienced Fire Company accountant as assistant to Chief Accountant in Chicago. Write giving experience and salary expected. Replies confidential. Address F-39, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

CHIEF ENGINEER WANTED

One of America's largest and oldest casualty companies has a RARE opening for a chief engineer in Chicago territory. Address F-40, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

BROKERAGE DEPARTMENT NEEDS

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joined Louisville Fire & Marine as special agent in Missouri. Prior to going into the Ohio field for Aetna, he was at the Hartford head office of that company. He attended Hartford College of Law prior to engaging in military service.

Comstock Named in N. Y.

American has appointed John L. Comstock as special agent for eastern New York, with headquarters at 90 State street, Albany.

Mr. Comstock is a graduate of Middlebury College. He was in the marines. He has served in various departments of American and has completed several years of field experience.

La Peire Joins Phoenix

John E. La Peire has been appointed special agent in eastern Missouri by Phoenix of Hartford. Mr. La Peire will assist State Agent T. F. Collins, with headquarters at St. Louis. He has been with Commercial Union there.

W. F. Maloney Joins P.W.

Providence Washington has appointed William F. Maloney as special agent for northeastern Massachusetts with headquarters at 10 Post Office Square, Boston. He is a war veteran and was formerly with Scottish Union in the Massachusetts-Rhode Island field.

Grand Rapids Puddle Elects

The new officers of the Grand Rapids puddle of Michigan Blue Goose are: Big toad, C. R. Beaver, Detroit F. & M.; pollywog, John Young, National Union; croaker, William Miller, Great American; bouncer, Jerry Bowman, New Hampshire; keeper, Gayle Olson, Underwriters Adjusting; tiny pollywog, Victor Koch, Underwriters Adjusting, Battle Creek.

Barnes to Pearl in South

J. Lloyd Barnes has been made special agent for Pearl group covering north Georgia, South Carolina, and Tennessee.

Mr. Barnes, a graduate of Northwestern University, has had extensive experience with a local agency, with a mutual casualty company, and with Great American group traveling the Virginia field.

La. Ganders Hear Esker

George Esker, manager of the fire division in the southwestern department of General Adjustment Bureau, talked on "Apportionment Under the Guiding Principles" at the May meeting of Louisiana pond of Blue Goose.

Miller Takes Ohio Post

Excelsior has appointed Arthur C. Miller as Ohio special agent replacing Robert K. Woods, who has joined the general insurance agency at Warren, O., of which John E. Greenwood, chairman of Excelsior, is the president.

Mr. Miller has been with the Ohio Inspection Bureau since 1947. His headquarters will be in the Mahoning building, Warren.

Unthank to National Fire

Frank L. Unthank has joined National Fire as special agent in southern California with headquarters in the Fidelity building, Los Angeles.

Allen C. Guy, Western Adjustment, will speak on "Determination of Insurable Values" at a meeting of Stock Fire Insurance Speakers Assn. at Columbus, O., June 4.

John L. Vorse, Security, Wichita, president of Kansas Fire Prevention Assn., was a speaker at the Kansas Firemen's Assn. convention at Pittsburgh.

Oklahoma Blue Goose Auxiliary has elected Mrs. Joe Fears president; Mrs. J. W. Butler, vice-president; Mrs. George Leighton, secretary; Mrs. W. N. Pansze, treasurer.

COMPANIES

Cincinnati Equitable Marks 125th Year at Civic Dinner

Cincinnati Equitable observed the 125th anniversary of its founding with a civic dinner. It is the oldest insurance company west of the Alleghenies and is one of four companies in the country writing fire insurance on a perpetual basis. Clifford R. Wright, president, was toastmaster. Greetings were extended by J. A. Lloyd, president of the Cincinnati chamber of commerce and vice-president of Union Central Life; A. M. O'Connell, president of Cincinnati Fire Underwriters Assn.; Superintendent Robinson of Ohio; John Hamilton, secretary of American Mutual Alliance, and H. P. Cooper, Jr., secretary of National Assn. of Mutual Insurance Companies. C. J. Biddle, general counsel of Philadelphia Contributionship, was banquet speaker, talking on the "Ancestors of the Cincinnati Equitable."

Glens Falls Premiums and Losses Up in Quarter

Net premiums written by the Glens Falls group for the first three months of this year exceeded \$13,850,000, which compares with \$13,140,731 for the parallel period last year, President G. D. Mead reported. There was a combined loss from underwriting of \$643,809, which compares with a profit of \$1,040,871 last year. Many of the losses from the windstorm of last Nov. 25-26 were not reported until the first quarter of this year and there was a sharp increase in fire, automobile, liability and compensation losses.

Income from investments, not including capital gains, amounted to \$531,182, which was an increase of \$78,597.

A special dividend of 25 cents, in addition to the regular dividend of 75 cents, has been declared by Agricultural, payable July 2 to stock of record June 15.

MARINE

Technical Work Done with Regard to War Risk Binders

WASHINGTON — While there has apparently been delay in the maritime administration with regard to war risk binders under the war risk program authorized by legislation some time ago, all the technical work in connection therewith has been done, it is said.

Language of the binders has been agreed upon as result of conferences among maritime officials, representatives of the marine market, ship owners and operators, and insurance brokers.

If and when a major power becomes involved in war and the underwriters notify shipping interests of cancellation of war risk cover, it would be only a matter of minutes or hours before they could get government war risk coverage, under binder provisions.

With respect to shipping in Korean waters and the China trade, almost no private U. S. vessels are engaged. Practically, only U. S. government ships are operated in the Korean area.

So. Cal. Marine Men Elect

F. W. Walter, Marine Office, is the new president of Marine Underwriters of Southern California. Other officers elected are: Vice-president, Fred N. Farrell, A. B. Knowles Co.; secretary, William H. Irby, Fireman's Fund, and treasurer, L. E. Brame, Hartford Fire.

The golf tournament of Board of Marine Underwriters of Seattle has been slated for Aug. 3. Stan Dec, D. K. MacDonald & Co., is chairman of the committee in charge.

The poor agent who

STOOD ON HIS HEAD



He knew the insurance business inside and out. He remembered names, he was systematic, and he made plenty of calls. If it would help write a policy, he would stand on his head.

All successful agents put a tremendous amount of effort into their work, but it takes teamwork on the part of both agent and company to transform persistence into policies. To make sure that the agent's hard work is not wasted at Pearl American, we think of his problems as our problems. Sympathetic consideration, reliable fieldmen's and underwriters' advice, and prompt service are combined with ample reserves and good reputation to help agents write more policies and earn more commissions.

No wonder so many agents and brokers who are tired of standing on their heads are teaming up with Pearl American.

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FEATURE STORY

One of the features of American insurance is that the Agent who sells Service, Safety and Security is always "a good man to know!"

Ohio Farmers Companies

OHIO FARMERS INSURANCE COMPANY - Chartered 1848
OHIO FARMERS INDEMNITY COMPANY

Le Roy, Ohio

EASTERN DEPARTMENT, Philadelphia - PACIFIC COAST DEPARTMENT, Los Angeles, Oakland, San Francisco

EDITORIAL COMMENT

The Importance of Company Philosophy

Of the three standards he uses in selecting an insurance company, A. L. Benjamin of the Cincinnati Gas & Electric Co., puts as the second most important "the philosophy of the insurer." Use of such a base for judgment is interesting but perhaps not as unusual as it sounds. The large buyer, with a multiplication of occasions for interchange with the insurance company and its representatives, has a good opportunity to determine the philosophy of the insurer. On the other hand, the average policyholder may have to wait until he has a loss to discover that philosophy and just what effect it has in practical application.

But Mr. Benjamin makes the point that his own judgment of an insurer's philosophy is based to a considerable extent on the kind of agent that represents the insurance company. This may not be an entirely scientific method of measurement, but he thinks, and undoubtedly it is true, that the sound, well managed insurers who are gen-

uinely interested in the problems of their insured over the years naturally attract the sort of agent who has the same kind of philosophy. The average policyholder does not have enough business with an insurance company to learn what its attitude and service to policyholders are, but he does know the agent and has enough contact with him to determine perhaps if he would like to have him on his side in case of real trouble. If the agent meets that test, probably the insurance company also will.

Basically Mr. Benjamin's definition of philosophy is the service the insurer is willing and able to provide.

It is indeed pleasant for a business like insurance, that prides itself so considerably on its fiduciary character and its main purpose of serving the public, to have an intelligent and realistic purchaser of its product place such a high value on the success with which an individual company meets these standards.

Consolidation Friction Modifiers

Consolidation of fire and casualty operations can be very disturbing to company personnel. This is true whether the consolidation is in accounting, underwriting or production. When these mergers take place, it is a time for the most careful use of the best management techniques in dealing with personnel.

The consolidation seems to proceed with greatest smoothness and ease in those insurance companies that had a top notch personnel department. This means a department that goes far beyond hiring and firing and puts into practice ideas now guiding what are considered some of the best managed corporations in the country. Among the most important of these ideas are consultation of employees themselves on moves affecting them; a sincere and honest attempt, when carrying out a management plan, to meet the wishes of employees whenever that can be done without seriously hampering the plan, and finally the building up of recognition among employees that the management is definitely ready to listen to and to consider the employee's viewpoint.

On the specific problems of consolidation, the companies proceeding with the least confusion and friction strive to avoid domination of the casualty personnel by the fire personnel or vice versa. This means that the top super-

visor or executive in charge of the newly consolidated department must be someone who has graduated from a narrow fire viewpoint or a narrow casualty viewpoint and has come to executive stature as a leader in management and not merely as a leader in knowledge of some particular kind of insurance.

Also there must be an infusion of ideas from both the fire and casualty men with the selection of the most useful plans and methods from each. Each group can contribute effectively only in the measure in which it is willing to receive. The give and take attitude will soon produce harmony and once the correct spirit is established, a skilled negotiator at the top can win support of both groups to a common program.

Good results are obtained when the top men in the fire group and the top men in the casualty group demonstrate their recognition that they do not know it all by enrolling in classes to learn from their own subordinates in the field with which they are least familiar. Thus the top men in the fire division set the right example and learn much by going to classes taught by department heads from the casualty division. The same is true in reverse. When both groups have thus gone to learn from each other, there is far greater chance of smooth

operation than when either the fire or the casualty group assumes, without any preparedness beforehand, complete authority over the other.

This consolidation of operations in a company can be a very serious disturber of peace. The program for its adoption and execution deserves painstaking consideration of top management. One thing is certain. When each group has a thorough understanding of the problems of the other, there will be seen so many opportunities for improve-

ment everywhere that no one is going to feel complacent or arrogant. Underwriting and rate problems face the casualty business. Among many others, the fire business has not solved the windstorm problem.

The long time lesson coming out of the consolidation is that a company with a well functioning personnel department is far better prepared to put through smoothly any kind of operating change affecting personnel than is a company that is without experienced direction.

PERSONAL SIDE OF THE BUSINESS

Arthur D. Cronin of the Kaler, Carney, Liffler agency of Boston was honored at a dinner of Boston Board of Fire Underwriters and presented with a scroll in which he was designated as "Insurance Man of the Year." This was in recognition of his fight against enactment of compulsory unemployment compensation disability benefits program in Massachusetts. Such a program has again been defeated in that state.

Bill Harrelson, partner in the E. R. Pray local agency at Phoenix, has returned to active duty in the air force with the rank of captain. He has been editor of the "Arizona Prospector," the house organ of Arizona Assn. of Insurance Agents. He was a group navigator in the European theater during the last war. He has been with the Pray agency for the past five years.

Mrs. M. L. Ramey, who has been selected as the Texas mother of 1951, is the wife of M. L. Ramey of the Ramey & Ivy agency at Denton, Tex. Of their four sons, Marvin G. Ramey is with the Denton local agency and Seth Ramey is with American General at Houston.

E. A. Luther, vice-president of National Surety with headquarters at Chicago, has been elected as a director of the Chicago Assn. of Credit Men. Mr. Luther was a director of St. Louis Assn. of Credit Men six years and was president in 1948-1949.

As an example of strange places to which fire prevention work takes its practitioners, **Richard E. Vernor**, head of the fire prevention department of Western Actuarial Bureau at Chicago, addressed the crews of the steamships North American and South American in the dining salon of the former ship at the Michigan avenue bridge in Chicago. He spoke on fire safety.

The TYG, house organ of the Yorkshire group, carries a biography of **Charles L. Beale**, Texas state agent for Yorkshire, who is known nationally as grand supervisor of the Blue Goose, thus being in line for election as most loyal grand gander at the meeting in Philadelphia this August. Mr. Beale just a month ago completed 25 years with



Yorkshire. He was born at Hubbard City, Tex., in 1898 and his family moved to Dallas when he was 10. He attended University of Texas and served briefly in the naval reserve during the first war. After a short period with the Federal Reserve Bank he started in the insurance business in 1921 with the Dallas general agency of T. A. Manning & Sons. He later became a field man for that organization and then in 1923 went with National Union in the west Texas field, and then in 1926 made his Yorkshire connection.

He belongs to four Blue Goose ponds. This came about because in 1923 his original membership was in the Texas pond. Then when his headquarters were at San Antonio he transferred to the south Texas pond, and when the Alamo pond was created, he became a charter member of that. Later upon the organization of the west Texas pond, he became a charter member there.

Mr. and Mrs. Thomas Larkins celebrated their golden wedding anniversary at an informal open house at their home at Milwaukee Sunday. Mr. Larkins retired Jan. 1, 1950, as special agent of Hartford Fire in southern Wisconsin after 32 years in the field. Mr. Larkins maintains contact with insurance by doing some work for the Clark Adjustment Service of Madison, operated by his son-in-law, Noel T. Clark.

J. G. Hasselbrack, vice-president of Aetna Fire, has just completed 25 years with the organization. He assumed his present post earlier this year.

Mrs. Mary G. Roebing has been elected a director of Standard Fire of Trenton. She is chairman of Trenton Trust Co.

John Towers and W. B. Rearden, Jr., of the Towers, Forster, Perrin & Crosby reinsurance firm of Philadelphia are on a trip to London until July.

The Fireman's Fund Record, external house publication of Fireman's Fund, was among the "highest award" winners in a contest sponsored by International Council of Industrial Editors. **Nelson Valjean**, editor of the Record, received word of this while attending the council's convention at Chicago, May 10-12.

John J. O'Brien, assistant vice-president of Rollins Burdick Hunter Co., has been elected president of Chicago Junior Assn. of Commerce & Industry.

Kirk A. Landon, chairman American Bankers of Miami, and Mrs. Landon will sail June 21 on the Oslofjord for Oslo. After trips through Sweden and

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SAN FRANCISCO 4, CAL.—507 Flatiron Bldg., Tel. EXbrook 2-3054. F. W. Bland, Pacific Coast Manager, John E. Caughman, Pacific Coast Editor.

Denmark, the Landons plan to spend some time in France and England, and will fly back home from London Aug. 4.

Armand Harris, former Minnesota commissioner, has been a patient at St. Joseph's hospital, St. Paul, since his retirement. Later he will join the executive staff of St. Paul Fire & Marine.

Don C. Hawkins, assistant secretary of St. Paul Fire & Marine, has been elected vice-president of Saintpaulites, Inc.

Richard T. Saunders, manager of the northwest department of Fireman's Fund at Seattle, is recovering from a heart attack at a hospital there. It will be a number of weeks before he is able to return to his duties.

At the New York State Bar Association meeting June 22-23 at Saranac Inn, **Ray N. Caverly**, vice-president and general counsel of America Fore will again act as general chairman.

Warren G. Harris, former owner of the C. D. Whitney Agency at Millbury, Mass., has been named one of two special assistants to Harold Leventhal, chief counsel, office of price stabilization.

DEATHS

JOHN CHICKERING, 52, assistant western department manager of Sun and a member of the Sun organization in the west since 1917, died Tuesday morning at his home of a heart attack. He had been named assistant manager only five months ago.

Mr. Chickering started at Chicago in 1917 in the accounting department. He held several underwriting positions until 1922 when he was appointed state agent in Nebraska. Later he traveled in Iowa, Ohio, and Missouri, and in 1926 was named Illinois state agent. Four years later he was transferred to the western department as agency superintendent, and in 1933 was given the additional duties of Cook county manager.

In 1938 Mr. Chickering was elected most loyal gander of Illinois Blue Goose, and when in the field he was also a member of the executive committee of Illinois Fire Underwriters Assn. He was a life member of Fire Underwriters Assn. of the Northwest.

GALLOWAY C. MORRIS, who retired as vice-president of North America in 1939, died at Philadelphia at the age of 70. He became head of the marine loss department in 1909. In 1916 he became assistant secretary, the following year third vice-president in charge of marine underwriting, and in 1929 vice-president.

ROY J. LONG, for many years general agent of Great Northern Life at Detroit, well-known in both life and A. & H. fields, died there after a long illness.

R. W. MULLEN, 62, assistant secretary of Hartford Accident, died at Hartford Hospital after a lengthy illness. He conducted a law office at Buffalo from 1912 to 1913 and served in the claim and legal department of National Surety from 1913 to 1921, when he joined Hartford Accident's fidelity claim division. He was elected assistant secretary in 1941.

AL C. SCHMUKE, who died at Wichita at the age of 76, had been in the insurance business from 1898 until 1945. Since that time he had been with Foley Tractor Co. He started in a local agency at Jackson, Miss., and then from 1905 to 1913 was a field man in Missouri for Continental and from 1913 to 1920 was state agent in the

Dakotas for the same company. He was secretary-treasurer and managing underwriter of the old Iroquois Fire and State Fire & Marine at Peoria, Ill., from 1923 to 1930. From then until 1945 he engaged in the independent adjusting business. He was compelled to discontinue that because of inability to drive a car due to a back injury. He was president of Bank of Monroe, S. D., from 1920 to 1923.

MILTON L. BLOOMBERG, 72, secretary of the Bloomberg & Yourdon agency, Richmond, Va., died there.

JOHN L. ATHERTON, 51, local agent at Charles City, Ia., died there after an illness of 2½ years. He entered the insurance business as a partner with his father after world war 1. The agency last year observed its 50th anniversary.

LOUIS G. TURNIPSEED, founder in 1904 of the Turnipseed agency at Liberty, Miss., died at his home there.

RUEL P. KERNS died from heart trouble in his home at Oklahoma City after 30 years' service in the insurance business. During this period he had been with the Eugene Whitlington agency, Upsher & Upsher and Ledbetter agency before establishing his own agency in 1945.

MRS. DOROTHY KELLER RAY, 61, wife of Charles R. Ray, vice-president and director of safety engineering for Markel Service, died at Baltimore after a prolonged illness.

WILLIAM R. LECKY, SR., 76, who, at the time of his retirement about two years ago, was associated with his brother, the late Robert D. Lecky, Jr., in a local agency at Richmond, Va., died there.

BERT R. SMITH, local agent for many years at Reece, Kan., died at a Denver hospital.

NEW YORK

LICENSES REVOKED

The licenses of Max Gurevich, insurance broker at 225 Broadway, New York City, have been revoked by the New York department. Gurevich was arrested several weeks ago on charges that he had embezzled some \$750,000 from two banks, several factories, insurance companies and insured. He had been licensed as an agent for four companies.

N. Y. BOARD ELECTS

Victor Kurbyweit of Continental was elected president of the New York Board at its annual meeting and P. W. Barnes, Fire Association, vice-president. E. C. Niver is secretary-treasurer, Stanton E. Small assistant secretary and E. V. Treacy assistant treasurer of the headquarters staff.

SOCIETY TELLS 50-YEAR STORY

Insurance Society of New York has published "The First Fifty," an account of the organization during its first half-century. The 92-page volume was written by Raymond D. Parker of Parker-Allston Associates. There are many illustrations with views of the library, classes, field trips, exercises, past and present officers, the staff and a number of people who have played a part in the growth of the society. A copy of the book will go to every member of the society in good standing.

New York chapter of C.P.C.U. on May 29 will conduct a forum dinner at the Liberty Luncheon Club to assist candidates who are preparing for the June examinations for all parts of the C.P.C.U. program.

The annual dinner of America Fore Men's Club was held in New York City.

Women's Houston Card Set

National Assn. of Insurance Women has completed the program for its annual convention at Houston, Tex., June 19-22.

Interspersed among the business sessions will be addresses by Alpha H.

Leo P. Cremins of Standard Underwriters Agency, St. Louis, has been elected president of the University City charter committee.

Mrs. Florence Darnell, who is in charge of Cook county casualty accounts in the western department of Loyalty group, is bereaved by the death of her husband.

Kenna, executive manager of Kansas Assn. of Insurance Agents; Melvin J. Miller, Fort Worth, Tex., president of National Assn. of Insurance Agents; John Leslie, editor of Insurance Record, and Searcy Bracewell, Texas state senator.

Mrs. Eleanor A. Sage, association president, Topeka, Kan., will open the meeting and preside at the various sessions.

Mention Reault for Michigan Post

Joseph Reault of Maccabees is getting a lot of support from prominent insurance leaders, especially in company ranks, for appointment as insurance commissioner of Michigan to succeed David A. Forbes, who is retiring July 1. Gov. Williams has received many letters from insurance company executives in behalf of Mr. Reault. Until he went with Maccabees several years ago, for 12 years he was with the Michigan department. He has not been a factor in

politics and there are some who feel that Gov. Williams may feel obliged to take political background into account, especially because he so recently went outside of the political pale to appoint Blair Moody as U. S. senator.

Joseph Mundus, prominent local agent of Ann Arbor, who was prominently mentioned as a possibility for appointment as commissioner, is now believed to be out of the running.

A possibility is **William Flint**, who is head of the complaint bureau of the insurance department. He was formerly a local agent at Grand Rapids, and was for a short time with the Forbes & Belknap agency there of which Commissioner Forbes is a partner. Mrs. Flint is Democratic county chairman in Kent county and has been a highly effective Democratic worker.

Bankers to Hear Vincent

L. A. Vincent, general manager of National Board, will address members of Savings Banks Insurance Forum of New York at their annual dinner June 14.

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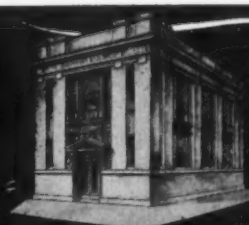


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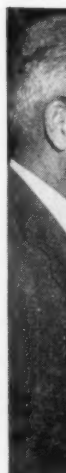
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Midwestern Statistical Unit Has Annual Parley

About 200 turned out for the all-day meeting and buffet dinner gathering at Chicago of Midwestern Independent Statistical Service. Despite the forbidding title of the association, there was a great deal of what was said that could be understood by ordinary mortals. As a matter of fact the longer the experience with rating laws and statistics and all the apparatus, the more simple but essential are the questions that arise.

For instance, Irvin Maurer, treasurer of Farmers Mutual Automobile of Madison, asked of a panel, in effect: "How can an individual company, or the business in general, secure relief from a loss situation that might even be menacing to solvency but where the historical basis for projecting rates is a mockery of the current and prospective trends?" There was no conclusive answer given to this but the question itself did illustrate the type of fundamental problem that was being tackled. Special attention was given to talks by Insurance Director Day of Illinois, Dudley Pruitt, actuary of General Accident, and Russell Matthias of the Chicago law firm of Ekern, Meyers & Matthias.

Mr. Pruitt gave a paper of unusual discernment on the problem of evaluation of statistics in rate making procedures. This is reproduced in large part elsewhere.

J. W. Gunn of Employers Mutual Casualty presided in his capacity as president of M.I.S.S. and the proceedings were sparked by S. Alexander Bell, the manager. The officers were re-elected. Vice-presidents are L. A. Power, Detroit Automobile Inter-Insurance Exchange; P. N. Snodgrass, General Casualty of Madison; R. W. Griffith, Farm Bureau Mutual Automobile of Columbus; secretary, C. E. Wilcox, American States, and treasurer, L. A. Trunk, Western States Mutual Automobile.

Mr. Bell in his report said the organization now has 137 members and 13 subscribers and their total premiums for 1950 were \$684,917,351.

Other speakers included Sol Wezelman, actuary of the North Dakota department, and C. H. Mahan, manager of the fire and casualty department of International Business Machines Corp.

Insurance Director Day of Illinois suggested that insurance lobbyists devote some of their attention to seeing that a larger part of the insurance revenue goes toward maintaining adequately staffed and continuous insurance department personnel. He suggested the possibility of creating a special type of fund for insurance revenue comparable to the gas tax fund, agricultural premium fund and fish and game fund. Here revenues from certain sources maintain their identity when they get into the state treasury. In Illinois such an insurance fund would receive more than \$16 million a year. The existence of such a fund might aid in getting an appreciation of what the insurance revenues amount to and in helping the insurance department to assert a priority right to the funds.

Mr. Day took issue in his talk with some of the points made by Herbert Brook of the Chicago law firm of Lord, Bissell & Kadyk in a recent article. He quoted Mr. Brook as stating that the all-industry rating law is against the public interest and that it stifles competition, hampers new coverages and adds unjustified expense. He said Mr. Brook concluded that many of the members of the all-industry committee had no real interest at all in fire and casualty rating requirements, and another substantial group had a basis for ulterior motives in bringing about legislation in this particular form.

He said Mr. Brook paints a rather cynical picture of the origins and motives behind this bill. He observes that since the bill became law there have been many changes in the personnel of insurance departments and he thinks that maybe these successors will give a "sober second thought" to this legislation. However, Mr. Day said that no one has introduced legislation in any state to repeal or substantially modify the all-industry legislation. He did remark that Idaho this year passed a statute which puts the matter of advance approval of rates on the shelf for a probationary period. The result there is realistic considering that Idaho has only six employees in the insurance department although there are some 450 insurers in the state. It is far better to follow this system in lieu of any nominal or pretended compliance with an advance filing system, he declared.

He said Mr. Brook advocates the California law which has no requirement of advance filings within which the bureaus and companies are expected to comply with statutory standards and the commissioner has a right to check up on compliance through examinations.

Specify \$13,500 Death Benefit in Okla. W. C. Law

The Oklahoma legislature before adjourning, passed a workmen's compensation death benefit bill. It provides for a flat benefit of \$13,500 in all death cases.

In the original constitutional amendment in Oklahoma paving the way for a workmen's compensation law, there was no reference to death benefits and hence throughout the years death cases have been beyond the sphere of the workmen's compensation law, and the Oklahoma state fund has not provided death benefit coverage. Where the state fund had the workmen's compensation line the employers' liability for death cases was insured in private companies.

Last summer there was a constitutional amendment adopted in Oklahoma to provide for bringing death cases under the workmen's compensation law and a total of 17 bills to accomplish this purpose were introduced in the legislature at this session that has just closed. This was a highly controversial matter and there was considerable fear that a bill would pass that would give an election either to accept the workmen's compensation benefit or to sue the employer.

Another workmen's compensation bill enacted in Oklahoma gives the injured person free choice of physician and provides that if he takes the medical services that are provided by the employer, the employee is entitled to get a copy of the medical report. This latter provision has been opposed generally by medical opinion and employers on the theory that it is often harmful for a patient to see a report filled with big and ominous sounding medical phrases, as it is likely to make him think he is worse off than he is.

It is not clear whether the employer is entitled to a copy of the medical report if the employee elects to take independent medical service.

On this score Mr. Day asked how a company or bureau could know what kind of statistics it is going to be expected to furnish to justify its rates unless it is told about these requirements in advance. Also he asked how the department could determine whether rates that are being charged are proper unless there are some reasonably standardized statistical requirements such as would be brought about by advance filings pursuant to statistical plans. Mr. Day said

(CONTINUED ON PAGE 31)

J. B. Donovan Joins Watters, Cowen Insurance Law Firm

Has Served as General Counsel of National Bureau Since 1946

James B. Donovan, general counsel of National Bureau of Casualty Under-

writers, has become a member of the insurance law firm of Watters, Cowen & Balbridge of Washington, D. C., and New York.

Under the firm name of Watters, Cowen & Donovan, they will continue the general practice of law, including all branches of insurance law, with offices at the Shoreham building, Washington, and 116 John street, New York.

The firm for many years has represented major interests in fire insurance. Thomas Watters is former Iowa deputy commissioner and former chairman Insurance section of American Bar Assn. Myron M. Cowen is at present on leave as U. S. ambassador to the Philippines.

Mr. Donovan was in the general practice of law at New York before the war, participating in varied litigation on behalf of life insurance companies. He later became associate general counsel of the U. S. Office of Scientific Research and Development, was general counsel to the Office of Strategic Services, and subsequently was assistant to Supreme Court Justice Jackson in the principal Nuremberg trial. He served in the navy for more than three years, coming out with the rank of commander.

Since 1946 he has been general counsel of National Bureau, which he will continue to represent in that capacity with his new firm. He has participated in scores of hearings and varied litigation throughout the country, including the successful defense of the North Little Rock anti-trust suit against the bureau and 50 of its member companies. The author of many articles on insurance law, he is now chairman insurance section of New York State Bar Assn. and chairman automobile insurance law committee of American Bar Assn.

New associates in the expanded firm will include John M. Walsh, John N. Reid and Edward T. Brown. Mr. Walsh is a former assistant district attorney of New York county and former assistant attorney general of New York. For 15 years he has been engaged in the general practice of law at New York.

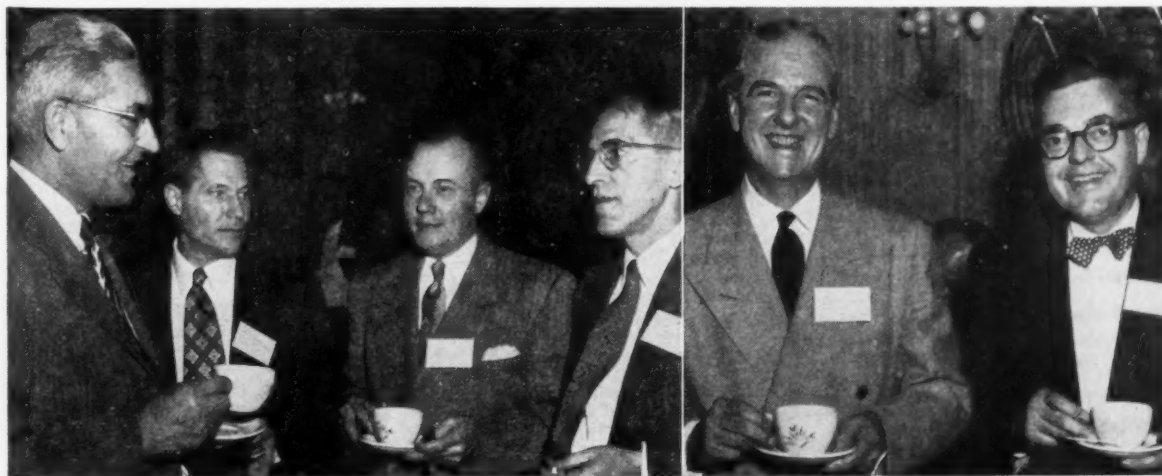
P. A. S. Rogers Slated in N. J.

P. A. S. Rogers of U.S.F.&G. has been nominated for president of Casualty Underwriters Assn. of New Jersey, the election to take place June 13. Ralph W. Hawkins of New Amsterdam is named for vice-president; Nelson Patchett of Carr & General for treasurer, and John J. Ward of Royal-Liverpool for secretary.

Casualty Adjusters Assn. of Chicago is having its annual outing at St. Andrews Country Club at West Chicago June 20.



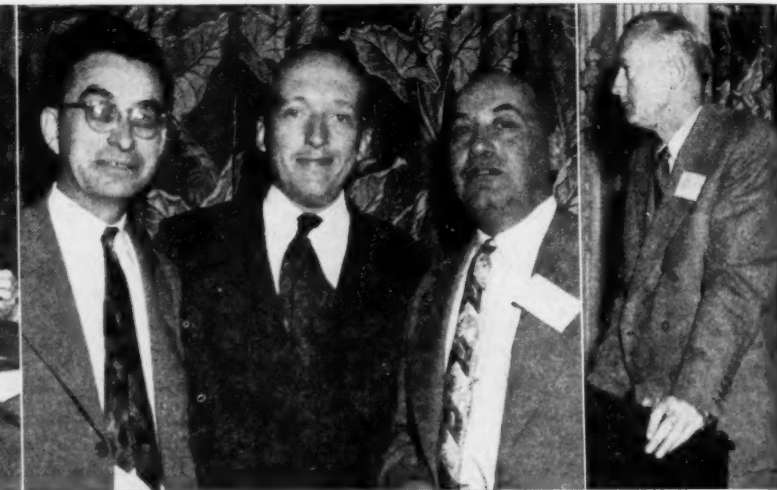
J. B. DONOVAN



KAFFEE KLATSCH ADDICTS AT MIDWESTERN INDEPENDENT STATISTICAL SERVICE CONVENTION AT CHICAGO: I. J. Maurer, treasurer of Farmers Mutual Automobile of Madison, Wis.; Frank Mittelbush, statistician of State Farm Mutual Automobile; C. H. Mahan, in charge of fire and casualty insurance relations for International Business Machines Corp., and Clarence Kenney, actuary of Allstate. Robert J. Icks, actuary of Illinois Bureau of Casualty Insurers and Fred Miller, vice-president of Hawkeye Security.



AT MIDWESTERN INDEPENDENT STATISTICAL ASSN. MEETING:
M. J. Wilkinson, agency director of Employers Mutual Casualty, at registration desk with Marie Cech and Helen Slagel; Dudley Pruitt, actuary of General Accident, con-



vention speaker; Insurance Director J. E. Day of Illinois; S. A. Bell, manager of M.I.S.S., and John W. Gunn, chairman of Employers Mutual Casualty and president of M.I.S.S.

Farm Bureau Ups Young Driver N. Y. Rates Sharply

Farm Bureau Mutual Automobile of Columbus is making a substantial increase in automobile third party liability rates in New York effective June 1. In the past, the Farm Bureau has been uniformly 25% below the bureau scale, but now it is bringing its young driver rates up virtually to par with the bureau while the adult risks are increased only about 5%.

Farm Bureau is one of the most prominent independent companies in its territory and the fact that it feels the need for an increase of these proportions is regarded in the business as an ominous sign of the trend in the automobile third party line.

Goodell First Head of New Buyers Association

Harry E. Goodell, insurance manager of Western Electric Co. of New York, has been elected president of National Insurance Buyers Assn., Inc. He thus becomes the first president of this organization. He served two years as president of Risk Research Institute, which is now the New York chapter of N.I.B.A.

First vice-president is Ray E. Bass

of A. E. Staley Mfg. Co. of Decatur, Ill.; second vice-president R. B. Gallagher of Philco Corp., Philadelphia; regional vice-presidents are John F. Burke, Coast Service Co., San Francisco; Kenneth A. Bong, International Milling Co., Minneapolis; Paul H. Schindler, Youngstown Sheet & Tube, Youngstown, O., and George E. Rogers, Robert Gair Co., New York City. Mr. Rogers is also treasurer.

Peter A. Burke, who has been the executive secretary, was named as managing director.

Salvation Army Insurers Held Jointly Liable

A standard automobile combination policy that covers Salvation Army on owned cars, loaned cars and non-owned cars when driven by an Army employee and comprehensive liability policy that covers among other things nonowned cars are jointly liable for any liability imposed on the Army in excess of the \$10,000 coverage in an employee's policy. This was the decision of the California district court of appeals in Employers Liability (the auto insurer) vs. Pacific Employers (the comprehensive liability insurer).

A Salvation Army employee in 1947 while driving his own car on Army business was in an accident, and a woman that was injured is suing for \$109,000. The employee had \$10,000 cover in Phoenix Indemnity.

Since the risk covered was identical in both policies, it was held that both Army insurers are jointly liable in the proportion which the collectible amount of each policy bears to the total collectible amount of excess insurance. Employers policy is for \$25,000 and Pacific Employers \$90,000.

F. & C. Writes Big Bonds

In connection with the enlargement of existing facilities at the Rapid City air force base, Weaver, So. Dak., a sizable contract has been awarded by the government, \$1,441,000. It calls for construction of quarters, mess halls and additional facilities at the air base and has been awarded to the firms of Brezina Construction Co. and Henry H. Hackett & Sons, both of Rapid City, on a joint venture basis. Performance and payment bonds both in the amount of 40% of the contract price have been executed by Fidelity & Casualty as sole surety through its Minneapolis branch.

Defense Plan Is OK'd

WASHINGTON—Thomas L. Kane, insurance director of the Defense Department, held two more all-day meetings recently with representatives of the conference committee on the national defense projects rating plan, for further discussion of endorsements, rules, regulations, forms, etc., related to the plan. Mr. Kane said 35 states, District of Columbia, Puerto Rico and Alaska have approved the rating plan.

Preferred Accident Policy

WASHINGTON—The Treasury Department has revoked its certificate authorizing Preferred Accident to qualify as sole surety on bonds. Initial authority to so qualify was granted in 1915.

The department instructs government bond-approving officers and other agents to secure new bonds "where necessary and practicable, with acceptable sureties" in lieu of outstanding Preferred bonds on which liability has not terminated.

Officials are instructed to report all outstanding Preferred Accident bonds accepted by them, and to report in detail on existing claims, occurrences, events or circumstances which may result in claim against that company.

Efforts to assist Preferred Accident to improve its financial condition have failed, Stuart Symington, new RFC head, has commented.

It was indicated RFC expects to lose a considerable portion of the \$8 million it loaned to Preferred Protective Corp. for purchasing Preferred Accident preferred stock, in order to strengthen the capital and surplus structure.

Mr. Symington said "It is impossible to estimate at this time the amount that will be recovered on liquidation" of the company.

Auto and "Comp" Rates Have Got to Go Up: H. G. Kemper

The public is going to pay more for automobile and workmen's compensation insurance because of the current inflationary period, H. G. Kemper, president of Lumbermen's Mutual Casualty and American Motorists, predicted in addressing the annual meeting of mid-west agents of the companies at Chicago.

"Fortunately it appears that many state commissioners will take a realistic view of the current high costs in considering the need for rate adjustments," he said.

Rising claim costs and a higher accident frequency make rate increases inevitable.

Auto B. I. and P. D. L. rates have increased only 26% in the last 10 years, compared to a 64% increase in living costs, a 79% boost in wholesale automobile prices and a 122% increase in hospital rates for the same period, he observed.

Workmen's compensation accidents reported to Lumbermen's and American Motorists' policyholders during the first quarter of 1951 exceeded 1949 by 32%, whereas premiums received increased by only 5%.

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PLUS LIBERAL PROFIT SHARING,
OFFERS TOTAL HIGHER COMMISSIONS
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SIMPLE FAITH IN LOSS EXPERIENCE PLAYS PRETTY TRICKS

Facts and Truth Become Confused

By DUDLEY M. PRUITT

Many years ago—more than I like to remember—my wife and I had that rare privilege of bringing our first born son, brand new, home from the hospital. All nervous and eager to leave, we listened to the doctor giving his instructions about feeding, bathing, sleeping and what have you. Then he said, "But don't weigh the baby oftener than once a week."

"Why?" I asked, startled. "Does it harm the baby to weigh him more often?"

"No," he replied in his vast experience, "but it harms the parents."

He went on to explain that new babies are given to gaining and losing weight each day in a most erratic pattern without significance, but that the overall trend—the credible experience, we might call it—can be observed only over longer periods of time.

Story Is Useful

Ever since then I have used this homely little story frequently to emphasize a certain point. We in the insurance business are prone to take stock of results far too frequently and in too small quantities. We have daily reports of premiums entered and loss notices received, weekly summaries by agent or branch office, monthly loss ratios by class. We weigh the baby so often that we are constantly being disturbed by erratic gains and losses which of themselves are without significance. These figures are extremely costly to produce

Mr. Pruitt, who is actuary of General Accident, gave this amiably penetrating paper on problems of rate filing justification in this day of the insurance statistical spree at the Chicago convention of Midwestern Independent Statistical Assn.

and a constant study of them adds fresh spots to our ulcers, besides so destroying our perspective with regard to trends in the business that we may make very faulty and expensive decisions.

It is a common human failing to mistake fact for truth. In life we are constantly surrounded with facts against which we collide at every turn, and, even though we have far more facts lying around than we can possibly have the intelligence to handle, we nevertheless endow research foundations and establish great laboratories for the purpose of discovering still more facts. When it comes to truth, however, one wonders sometimes whether we have advanced at all beyond the ancient philosophers. Plato and Aristotle had far fewer facts at hand than even the poorest of insurance underwriters—we are quite certain that they had no Washington news service, no radio commentators, no tabulating equipment, and probably not even convention speeches—yet they had already discovered practically all the basic social truths by which today we still claim to regulate our lives.

Facts Are Not Truth

Facts are not truth. But in our lives and in our work we constantly confuse the one with the other. Suppose you have just written automobile insurance on an undertaker, any undertaker; and he promptly proceeds to drive his hearse head on into a school bus. That would be a fact very hard for your claim department to deny, but it would not necessarily be the truth that undertakers are bad risks. Suppose on the other hand that you have been convinced that undertakers are actually good risks, should you then be surprised if the undertaker you so foolishly underwrote should in fact go out and smack into a school bus?

You will say, of course, that any underwriter would understand that, but

you've all had the experience of seeing your company place, shall we say, one armed paper hangers on the prohibited list because your loss ratio last year on one armed paper hangers was bad; and how many times have you either heard or said something like this? "I wish you'd check that loss ratio on persimmon dealers; you've got it here as 1,128.67% and I just can't believe persimmon dealers are that bad. You must have a mistake in your figures."

Of course persimmon dealers aren't that bad and that's the truth. But the facts are that we only insured 25 persimmon dealers and two of them happened to have very bad accidents last year. Put that way—25 risks, two accidents—we all understand that the results mean nothing, but put in the form of a loss ratio of 1,128.67% it looks very important and a threat to the company's solvency.

Truth can be found statistically only through the law of large numbers, which is not necessarily the same as saying

that it is found through a loss ratio of large figures. The number of occurrences and their basic similarity to each other are the criteria of statistical truth, or credibility as we call it, and even a large dollar volume will not guarantee a statistically dependable result. A thousand accidents at \$10 apiece is much more credible than 10 accidents at a thousand dollars apiece, though the amount of money involved is the same in either case; and it follows that, for an equal number of dollars, property damage results are much more credible than bodily injury results, because of the higher claim frequency and the narrower normal spread in size of loss.

Here we have another point not entirely understood about the truth which may be developed from an observation of facts. Those of us who no longer get excited merely by large loss ratios will usually succumb when the large loss ratio is accompanied by large dollar volume, and will fail to recognize that \$100,000 in Arizona will be con-

siderably more credible than the same dollars in New York City because of the effect of New York City verdicts, and \$100,000 in 1941 was much more credible than the same dollars in 1951 because of the effect of inflation.

We can make this point clear enough by taking a trip to Monte Carlo. One blue chip on number 14 has a certain slim chance of winning, but two blue chips on number 14 will not change the odds, nor yet will four or eight or 16, as those who have tried to break the bank by this strange system will admit; but if you could contrive to have two, four, eight or 16 balls on the wheel you would have something else again.

I do not want to give the impression that loss experience is useless, for it is far from that. At the proper times and in the proper quantities it is indispensable, but loss experience is no substitute for human experience. It is normal to want to substitute some tangible and demonstrable evidence for the in-

(CONTINUED ON PAGE 28)

HIGH SPOTS IN HISTORY



FRANCE CLAIMS TERRITORY

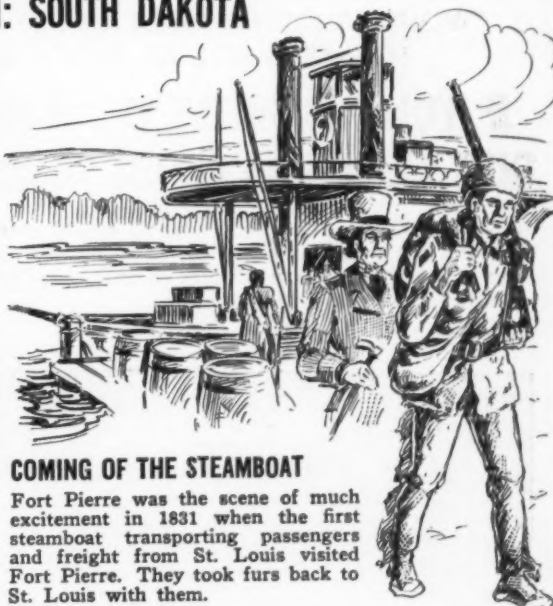
A Frenchman by the name of Francois Verendrye visited South Dakota in 1743. With him was his brother and two trappers. At the present site of Fort Pierre they buried a plate claiming the territory for France. School children uncovered the plate in 1913.



DAKOTA GOLD RUSH

General Custer with his military party explored the Black Hills region back in 1874. Members of his expedition discovered gold near the town which was to become the city of Custer. Later a vein was found near Lead, and the largest gold mine is now located there.

11: SOUTH DAKOTA



COMING OF THE STEAMBOAT

Fort Pierre was the scene of much excitement in 1831 when the first steamboat transporting passengers and freight from St. Louis visited Fort Pierre. They took furs back to St. Louis with them.

ALSO A HIGH SPOT . . .

. . . among insurance agents is the service of these great companies. They know they get speedy, efficient service . . . claims are paid promptly . . . and they get constant home office co-operation. That's why the trend is to Hawkeye-Security and Industrial.

HAWKEYE-SECURITY INSURANCE CO.
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Des Moines, Iowa



ACCIDENT AND HEALTH

1951 Time Saver of A. & H. Information Is Off the Press

Additional information, revisions in keeping with the pace of the A. & H. business, and improvements for easier use are contained in the 1951 edition of the "Time Saver for Accident and Health Insurance," the handbook of commercial accident and sickness policy information, published by the National Underwriter Co.

Policies of several companies have been added to the book this year, and contracts of a total of 92 leading companies and organizations are described. The book contains more than 920 pages of information which also includes financial statement data and premiums and losses of almost all companies and organizations writing A. & H. insurance.

The policies described are commercial individually issued (not group) accident, A. & H., hospital expense, medical and surgical, polio, and other forms,

and riders that apply. The contracts are described completely as to the coverages provided. Premiums for all ages, exclusions, reductions, waivers and any special provisions are stated. Some 1,700 policies and riders are described in the book.

Use of the book is further simplified this year in the indexing, all of which is now concentrated in one place, and in the centralizing of information about the company so that it is along with the descriptions of its policies. This places in the policy pages of each company the information about the company itself, which was formerly in a separate company list.

New pages of supplementary information have also been added. These contain descriptions of basic provisions such as are in typical group, franchise, blanket, athletic teams, and hospital and surgical plan contracts. These provisions are described for their reference value and are stated as found in one or more of the typical contracts.

The price of the 1951 "Time Saver" is \$5.50 a copy. The book is of handy small size, is printed on thin paper, and has red limp binding that will with-

stand considerable usage. It can be ordered from the National Underwriter Co., 420 East Fourth Street, Cincinnati 2, Ohio.

Don't Overlook Policyholder While Busting Contest Quota

It is all very well to secure a bumper crop of applications to qualify for a prize or to have a picture put in some publication, but this should not be done at the expense of the insuring public, Fred W. Spencer, registrar of insurance agents and brokers of Ontario told the Ontario Assn. of A. & H. Underwriters meeting at Toronto. Sad to relate, apparently many agents overlook the right of the policyholder to a clear explanation of the policy and an understanding of what it contains in their zeal and enthusiasm to make money and win contests, Mr. Spencer declared.

According to Mr. Spencer, at least 65% of all complaints received by the Ontario department come from the A. & H. field. If the complaint ratio on the A. & H. class continues, Superintendent Whitehead may have to take remedial measures, Mr. Spencer said. Either there will be some housecleaning by the insurance people or the government will have to step in and do the job. It rests with the agents to inject the idea of service into their daily routine in addition to their sales enthusiasm, he declared.

Creditors Life and A. & H. Insurers Form Group

An association of companies engaged in writing creditor's life and A. & H. insurance was formed at a meeting at Chicago that was sparked by James H. Jarrell, president of Old Republic Credit Life of Chicago.

The Consumer Credit Insurance Assn. is the title of the organization. It has been incorporated in Illinois, and will provide for the dissemination of information and for the exchange of ideas.

Mr. Jarrell said the association will promote high ethical standards.

Mr. Jarrell was elected chairman. President is Cecil Woods. He is president of Volunteer State Life and American Life Convention. Vice-president is Dwight W. Hollenbeck, president of Credit Life of Springfield, O.; secretary, T. Leslie Kizer, president of Central States Health & Accident of Omaha; treasurer, Harry O'Brien, Bankers Security Life of New York.

Headquarters of the association have been established at 1513 Bell building, Chicago.

Medical for Small Groups

Pacific Mutual Life's group department has introduced a new coverage kit of prepaid medical insurance for employers of 10 to 24 workers.

It offers liberal hospital, surgical and medical care indemnities, for employees and dependents, with provision for x-ray and laboratory examinations, ambulance service, polio care and additional accident expenses. The coverage is offered under two plans, identical in hazards covered but varying in indemnities.

Mich. Blue Cross Quarrel

LANSING, MICH.—Refusal of Michigan Hospital Service (Blue Cross) to accept applications from members of the teamsters' union who already have hospital coverage supplied by their employers under terms of union contracts has stirred a controversy in Michigan.

James R. Hoffa, Detroit, who heads the Michigan union, complained to Commissioner Forbes alleging "discrimination."

James R. Foster of the hospital service answered a departmental inquiry by explaining that the hospital service provides complete protection and that the teamsters would need no other form of coverage.

Hoffa contended the Blue Cross atti-

tude indicated an attempt to establish a monopoly and that the matter should have attention of both state and federal agencies to determine if legislation should be enacted to curb such practices.

Swanson to Old American

R. H. Swanson on June 1 will become assistant actuary for Old American of Kansas City. He was a world war air force pilot. Mr. Swanson is a graduate in actuarial science at Drake University and has been with the Missouri department since 1949. With Old American he will do new policy research in the life, A. & H., and hospitalization fields.

Nelson A. & H. Assn. Guest

Commissioner A. Herbert Nelson was the guest of Minneapolis A. & H. Assn. at a dinner Tuesday. This was his first public appearance since taking office May 15. He is a former president of the association.

Parker Joins New York Life

Gerald S. Parker has joined New York Life as an administrative assistant on the staff of James T. Phillips, vice-president, it has been announced. He will assist Mr. Phillips in matters relating to the A. & H. business.

For five years Mr. Parker has been with Preferred Accident as secretary of the A. & H. department.

Krauel San Diego Speaker

Arthur C. Krauel, general agent of Pacific Mutual Life at Los Angeles, spoke at the first meeting of the San Diego A. & H. Underwriters Assn. on "Combining A. & H. Insurance with the Sale of Life Insurance."

Mr. Krauel on short notice filled in for the scheduled speaker, Frank W. Bland, Pacific Coast manager of National Underwriter Co., who was injured in an automobile collision.

R. N. Osborne Is Promoted

Continental Casualty has promoted Robert N. Osborne to manager of the A. & H. collection department.

Undertakers Need Liability

ST. PAUL—That undertakers should be good prospects for liability insurance is indicated by a case filed here. The Adam Bros. funeral home is being sued for \$10,000 by the six children of Emil A. Kerr. They charge that during the funeral procession into a St. Paul church the bottom fell out of the casket and the body rolled out on the steps of the church. Chicago Casket Co., which supplied the casket, is also a defendant.

NON CANCELLABLE A. & H. COVERAGES

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- ✓ 1. Accidental Bodily Injury Insuring Clause.
- ✓ 2. "His Occupation" Definition of Total Disability.
- ✓ 3. Non-aggregate coverage for as long as 120 months or to age 65—House confinement never required.
- ✓ 4. Lifetime Accident if desired.
- ✓ 5. Waiver of Premium after 90 days.
- ✓ 6. Liberal Hospital and Surgical Benefits on an optional basis.
- ✓ 7. Policies Guaranteed by one of America's oldest and largest Accident & Health writing companies.

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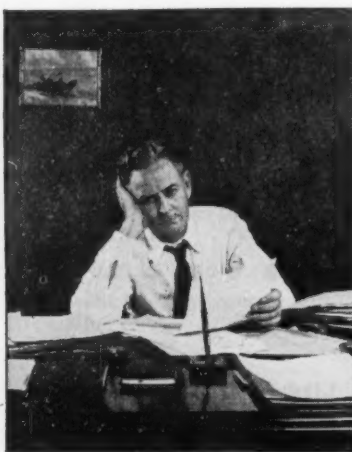
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Insurance Company
CHICAGO, ILL.

"WOULD THAT MISTAKES COULD BE SOLD
FOR AS MUCH AS THEY COST"

IF YOUR BUSINESS IS "INSURANCE" QUIT WORRYING ABOUT YOUR BUSINESS

Incompetent, Inexperienced or Indifferent employees may be the cause of claims against you for loss due to ERRORS and OMISSIONS in the conduct of your business, which may result in heavy financial loss to you or even ruin your business.

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MISSOURI 1950 DIRECT CASUALTY WRITINGS AND NET LOSSES INCURRED

	Total Prelim. and Losses	Work. Comp. Prelim. and Losses	Other Liab. Prelim. and Losses	Auto. Liab. Prelim. and Losses	Auto. P.D.L. Prelim. and Losses	Fidel. Prelim. and Losses	Surety Prelim. and Losses	Plate Glass Prelim. and Losses	Burg. Theft Prelim. and Losses		Total Prelim. and Losses	Work. Comp. Prelim. and Losses	Other Liab. Prelim. and Losses	Auto. Liab. Prelim. and Losses	Auto. P.D.L. Prelim. and Losses	Fidel. Prelim. and Losses	Surety Prelim. and Losses	Plate Glass Prelim. and Losses	Burg. Theft Prelim. and Losses
Acc. & Cas.	44,181	8,108	7,001	21,502	5,758	.....	.....	.....	604	Elec. Mut. Liab.	16,571	9,166	189	5,391	1,768	.....	.....	.....	.....
Aetna Cas.	2,006,748	404,403	344,240	661,668	232,662	70,032	119,896	25,212	77,792	Empl. Cas.	414,439	72,632	55,706	147,290	57,682	.....	.....	8,580	6,312
Allied Mut.	182,174	.....	1,042	53,601	22,744	20,777	.....	1,412	3,012	Empl. Fire	117,392	18,583	10,905	36,603	30,767	.....	.....	1,889	1,729
Allstate	1,584,344	.....	.....	715,977	227,860	1,676	.....	657	113	Empl. Liab.	194,435	78,286	47,740	31,398	11,787	2,495	1,304	2,714	6,970
Am. Alliance	2,157	.....	.....	194,437	130,287	.....	.....	.....	.....	Empl. Mut. Cas.	78,564	69,365	10,020	9,232	5,078	1,967	1	805	1,000
Am. Auto.	3,193,219	465,570	318,819	1,563,933	522,909	65,708	24,262	57,545	119,584	Empl. Mu. Liab.	699,372	329,823	96,366	110,464	41,647	213	426	5,602	14,529
Am. Bond.	1,554,164	175,899	140,052	819,118	343,924	14,451	6,276	16,988	39,831	Emp. Reins.	1,888,115	1,259,832	180,074	216,260	74,679	9,531	.....	2,865	25,167
Am. Cas.	218,553	30,845	36,009	86,255	29,607	5,555	2,082	2,513	6,901	Equitable F.&M.	909,741	628,746	35,720	119,117	53,934	3,201	.....	394	13,386
Am. Empl.	130,824	29,286	28,591	37,136	18,176	2,555	4,822	1,139	6,658	Fidelity Mut.	881,083	67,850	23,250	311,587	12,563	2,719	.....	1,260	30,459
Am. Fmrs. Mut.	379,789	11,808	6,448	137,175	46,840	.....	.....	584	942	Gen. Cas., Wash.	417,319	6,858	.....	.....	.....	.....	.....	.....	26,618
Am. Fid. & Cas.	654,477	.....	7,648	465,618	178,941	.....	.....	.....	.....	Equity Mut.	18	.....	.....	.....	.....	.....	.....	880	1,408
Am. Guar.	11,385	.....	10	.....	1,874	.....	.....	.....	3,066	Excess	909,022	108,925	25,057	359,937	147,339	.....	1,446	.....	.....
Am. Indem.	285,890	.....	54,298	78,729	28,851	973	1,699	28,339	31,567	Fact. Mut. Liab.	363,803	47,878	3,142	165,698	69,276	.....	.....	.....	.....
Amer. N. J.	126,698	.....	21,759	42,120	22,301	.....	.....	1,088	8,357	Fm. Bur., Mo.	128,305	4,543	8,376	86,012	16,737	10,927	1,293	.....	248
Am. Motorists.	444,840	286,845	60,852	30,825	10,860	1,302	2,806	90	1,184	Fmrs. Ex., Cal.	35,575	.....	139	23,123	16,235	1,691	.....	.....	687
Am. Mut. Liab.	967,569	691,108	85,224	89,555	31,646	18,047	.....	470	8,083	Fmrs. Mut. Au.	26,558	.....	1,234	12,396	4,256	.....	.....	.....	.....
Am. Natl.	626,761	453,180	13,463	22,764	23,249	4,811	.....	88	4,596	Federal	716,554	.....	95,674	530,899	257,979	.....	.....	.....	.....
Am. Pchldrs.	147,953	20	2,592	53	17	.....	.....	.....	.....	Fed. Mut. I.&H.	548	.....	41,295	144,269	160,096	.....	.....	.....	.....
Amer. Reins.	257,109	20,589	12,660	18,242	3,916	50,276	139,665	217	1,991	F. & C.	80,079	.....	41,295	144,269	160,096	.....	.....	.....	.....
Am. Surety	60,424	.....	6,500	55,924	57,487	57,999	34,124	7,212	15,518	F. & D.	368,664	132,228	26,780	135,304	45,656	.....	.....	6,153	6,067
Anchor Cas.	333,834	7,800	127,619	48,227	20,644	61,372	2,518	8,512	.....	Fid. Mut. I.&H.	217,683	90,071	30,458	57,635	32,234	.....	.....	1,965	7,022
Arex Indem.	330,996	85,730	38,264	91,163	33,365	1,461	4,966	5,462	10,243	F. & C.	2,655,085	345,988	340,225	835,930	311,156	74,735	45,882	29,586	96,811
Assoc. Ind.	136,409	31,823	8,222	45,320	20,084	1,060	3,033	1,198	3,923	F. & D.	1,045,825	288,668	84,780	357,947	184,707	16,438	45,604	11,412	33,472
Atlantic Mut.	73,093	40,211	7,216	6,114	2,013	.....	.....	.....	164	Fidelity Mut.	668,594	.....	4,642	.....	245,168	214,929	5,263	100,740	.....
Auto Club, Mo.	26,727	19,411	1,659	4,050	1,639	.....	.....	.....	.....	Fid. Phenix	147,087	.....	263	.....	98,743	2,297	3,041	16,130	.....
Au. Dealers Mut.	1,107	38	34	755	233	.....	.....	.....	47	Firm's Fd. Ind.	332	.....	.....	125	41	.....	.....	.....	.....
Bankers Ind.	2,881,646	.....	1,334,721	419,258	28,459	.....	.....	.....	.....	Fireman's Fund	500	.....	.....	500	.....	.....	.....	.....	.....
Bitum. Cas.	1,081,170	525,328	166,691	174,881	63,332	.....	.....	.....	.....	General Acc.	233,935	52,378	36,161	82,393	29,038	1,070	5,160	4,566	11,387
Car & General.	362,714	231,293	37,603	5,653	30,816	.....	.....	.....	.....	Gen. Cas., Wash.	81,882	27,104	14,227	18,397	17,391	998	.....	571	1,379
Cas. Indem. Ex.	41,512	4,453	1,081	20,827	14,734	.....	.....	.....	210	General Reins.	535,270	68,559	154,698	147,952	52,638	1,154	.....	11,721	29,859
Cas. Recip. Ex.	1,267,415	180,553	39,144	659,513	238,876	.....	.....	.....	905	Gl. Falls Ind.	667,035	2,881	78,410	378,405	127,896	21,831	18,048	7,935	25,515
Cent. Mut. Cas.	397,816	85,872	7,219	191,242	70,772	.....	.....	.....	453	Globe Indem.	320,518	4,146	12,043	216,133	74,656	.....	.....	900	1,931
Central Natl.	644,311	.....	4,077	233,132	96,182	.....	.....	.....	22,254	Globe Indem.	254,600	28,666	14,241	57,043	8,872	25,872	68,798	471	11,271
Central Sur.	243,358	.....	932	65,492	52,709	.....	.....	.....	453	Govt. Empl.	184,722	52,418	78,637	2,333	34,340	.....	.....	.....	832
Century Ind.	97,241	.....	3,770	.....	1,481	.....	.....	.....	.....	Gr. Am. Ind.	30,489	2,108	4,130	11,422	4,069	337	648	1,046	1,206
Cimarron Cas.	1,643,935	285,713	196,165	415,159	142,579	134,066	205,987	28,244	70,898	Gr. Amer.	39,535	.....	11,427	9,419	.....	.....	.....	.....	.....
Citizens	526,459	126,924	46,157	176,667	96,107	3,054	3,829	9,957	29,232	Gr. Central	412,327	67,270	129,056	72,474	26,252	7,768	16,152	4,193	10,541
Coal Op. Cas.	65,251	18,221	12,662	23,237	7,850	793	252	14	1,183	Hartford Acc.	190,346	21,176	65,139	42,684	18,256	1,134	6,553	1,191	5,069
Columbia Cas.	37,959	16,836	2,320	6,719	1,984	7,155	201	16	6,707	Hartford Fire.	27,903	.....	20,713	20,713	7,730	.....	.....	.....	.....
Commer. Cas.	85,036	.....	.....	.....	.....	.....	.....	.....	.....	Hawkeye-Sec.	8,719	.....	.....	6,375	2,344	.....	.....	.....	.....
Commer. Stan.	630,159	92,580	22,402	306,460	112,122	.....	.....	.....	.....	Highway Ind.	389,196	.....	.....	.....	.....	.....	.....	389,196	.....
Conn. Indem.	298,448	44,913	16,222	38,964	13,800	.....	.....	.....	.....	Hardw. Ind.	133,691	.....	.....	20,190	6,858	.....	.....	374	1,418
Cont. Cas.	1,955,595	108,881	70,880	164,412	65,489	27,247	17,720	6,642	35,508	Hardw. M. C.	19,711	10,273	.....	1,555	55	.....	.....	76	500
Consol. Und.	890,958	61,844	15,297	73,866	41,495	14,478	.....	.....	.....	Hartford Acc.	932,355	253,463	59,874	260,862	87,156	.....	.....	11,106	7,967
Continental, N.Y.	648,938	515,425	15,065	89,848	99,668	.....	.....	.....	.....	Hartford Fire.	506,690	169,615	19,169	118,690	48,104	.....	.....	4,532	2,510
Eagle Fire	8,024	.....	678	5,065	1,768	.....	.....	.....	.....	Hawkeye-Sec.	2,731,074	1,076,344	420,410	607,335	216,064	45,985	117,864	22,398	66,295
	8,558	.....	1	6,197	2,138	.....	.....	.....	.....	Highway Unds.	1,245,826	500,029	166,357	302,628	144,163	4,242	8,322	24,021	.....
										Independ. Mut.	1,820	.....	1,375	445	.....	.....	.....	.....	.....
										Ind. of N. A.	630,451	52,202	47,464	233,849	89,085	474	12,705	5,017	10,863
										Ins. Co., N. A.	223,760	31,081	8,600	84,518	38,056	5,263	1,075	2,696	.....
											5,728	.....	4,518	.....	1,209	.....	.....	.....	.....
											55,147	38,621	18,659	.....	.....	.....	.....	.....	.....
											24,254	13,864	9,560	.....	.....	.....	.....	.....	.....
											470,957	61,911	105,138	170,897	60,023	11,863	14,340	8,838	16,546
											186,868	19,338	24,093	94,606	37,680	140	650	2,920	2,983
											44,539	.....	3,359	1,121	.....	.....	.....	.....	.....
											7,214	.....	1,000	.....	.....	.....	.....	.....	.....
											162,195	68,284	10,044	51,879	7,263	3,275	12,827	.....	4,692
											49,822	31,571	1,116	5,839	8,912	.....	.....	.....	46
											99,159	51,236	3,550	34,680	9,601	.....	.....	.....	.....
											62,531	29,592	468	28,083	4,388	.....	.....	.....	.....
											233	.....	168	.....	65	.....	.....	.....	.....
											100	.....	100	.....	100	.....	.....	.....	.....
											266,175	20,759	70,100	55,951	20,680	2,500	22,026	2,383	12,719
											63,361	3,188	3,308	41,420	11,019	1,903	577	629	676
											26,559	.....	90	7,772	2,485	.....	.....	60	.....
			</																

CHANGES IN CASUALTY FIELD

Gaynor Pacific Indemnity President

W. F. Gaynor has been elected president of Pacific Indemnity, succeeding Eugene L. Stockwell, who is retiring on the company's retirement plan. Mr. Stockwell had been the president two years.

Mr. Gaynor, for 24 years has been manager of underwriting for Swett & Crawford, who are underwriting managers of Pacific Indemnity.

Gordon H. Snow has been elected vice-president and general counsel of Pacific Indemnity.

Mr. Stockwell, who has been with Pacific Indemnity almost since its organization a quarter of a century ago, served first as general counsel, then as executive vice-president and general counsel, and in 1949, was elected president. He will continue to serve as a director.

During the first quarter of 1951, net premiums of \$5,972,359 were written, compared with \$5,508,133 during the first quarter of last year, an increase of 8.43%.

Operations of the company produced a net loss, after federal income taxes, of \$207,654, or \$1.39 per share during the quarter, compared with earnings and other realized gains of \$439,189, or \$2.93 per share for the corresponding quarter of 1950. These amounts include estimated equity in premium reserves and are net, after policyholders' dividends.

Assets at March 31 were \$40,731,251.87, a decrease of \$83,376 during the quarter; surplus to policyholders was \$12,033,364, a decrease of \$285,711.

New Assistant Secretaries

James R. MacKay and Richard P. Wilkins have been elected assistant secretaries of Fireman's Fund Indemnity.

Mr. Mackay for the past year as agency superintendent has had executive supervision of indemnity and automobile production with general supervision of branch office and agency activities in the far western states. He has been with the organization since 1936 and is a graduate of the University of California.

For the past year and a half Mr. Wilkins has had supervision of under-

writing of all classes of casualty and automobile business except A. & H. and group disability. He has been with Fireman's Fund since 1921.

Kerper to Ill. as Manager

John S. Kerper, who has been Michigan manager for Employers Mutual Casualty of Des Moines, has been named general manager for Illinois. Mr. Kerper established the Michigan branch of the company in 1940 and is secretary-treasurer of Automobile Insurers Safety Assn. of Michigan.

McWhirter to Pacific Indem.

R. M. McWhirter has joined Pacific Indemnity at Dallas as manager of the newly established bond department.

Mr. McWhirter has been in the fidelity and surety business for 22 years in Texas, starting with Trinity Universal. After 17 years he went with Commercial Standard, and for the last 3½ years has been assistant manager at Dallas for Fidelity & Deposit.

Moony Signs with Hitke

William R. Moony has resigned as chief underwriter in the home office of Virginia Surety at Toledo to become special risk underwriter for Kurt Hitke

May we ask a favor of you?

Were you to ask that one of our representatives call on you and explain what we mean by "Service" we would indeed be pleased.

It is said that we have revolutionized the bonding business and we would like to show you what we have that is new.

Drop a line to one of our offices advising them that you would like to see what we have.

WESTERN SURETY COMPANY

One of America's Oldest Bonding Companies

175 West Jackson Blvd.
Chicago, Illinois

1700 Commerce St.
Dallas 1, Texas

Sioux Falls 21 West 10th Street
South Dakota Kansas City 6, Mo.

	Writings	Incurred
	Direct	Net Losses
Illinois Mut. Cas.	6,730	117
Indemnity of No. Amer.	16,085	56
Industrial Benefit	98,413	34,329
International Indem. Ex.	12,982	411
Inter-Ocean	8,721	1,725
Inter-State Assurance	28,250	12,635
John Hancock	393,846	240,958
Kemba Mutual	49,163	32,064
Liberty Mutual	97,089	34,348
Life & Casualty	83,746	5,482
Life of Virginia	2,291	1,643
Lincoln National Life	200,123	146,860
London & Lanc. Indem.	2,499	121
London Guarantee	5,866	2,503
Local Protective Life	97,104	21,585
Lumbermens Mut. Cas.	17,189	3,984
Manufacturers Cas.	339	.....
Maryland Casualty	105,616	33,758
Mass. Bonding	40,426	13,197
Mass. Casualty	56	.....
Mass. Indemnity	149,133	5,607
Mass. Mutual Life	10,388	3,575
Merchants Indem.	26	.....
Merchants Mut. Cas.	14	.....
Metropolitan Cas.	232,562	139,650
Metropolitan Life	3,509,495	1,907,288
Mid-States, Ill.	144,960	48,859
Missouri	686,825	207,365
M. F. A. Mutual	57,435	9,236
Mammoth Life & Acc.	32,420	8,771
Monarch Life, Mass.	320,049	158,584
Mutual Benefit H. & A.	1,580,487	1,035,318
Mutual Savings Life	7,308	45
National A. & H.	182,115	70,379
National Casualty	75,348	36,247
National Fidelity Life	19,118	2,655
National Home Life	650,552	284,934
National Life & Acc.	63,874	20,512
National Protective	85,933	8,590
National Travelers	8,860	929
New Amsterdam Cas.	125,932	44,174
North Amer. Accid.	19,424	14,088
No. Amer. C. & S. Reins.	1,436	1,385
North Amer. Life & Cas.	18,128	5,873
Northern Life, Wash.	14,354	3,413
Northwestern Natl. Life	4,959	2,781
Occidental Life, Cal.	164,600	110,609
Ocean Accident	76,840	44,020
Ohio State Life	8,873	5,748
Old American	42,950	7,966
Old Republic Credit	14,349	177
Pacific Mutual Life	325,829	290,677
Pan-American Life	2,459	406
Paul Revere Life	122,925	70,642
Phoenix Indemnity	1,213	189
Physicians Life & Cas.	1,080,746	422,637
Pioneer Life	10,037	5,119
Postal Life & Cas.	75,105	38,899
Preferred Accident	7,631	1,815
Provident Life & Acc.	281,544	147,632
Prudence Life	167,038	57,038
Prudential	582,844	402,883
Pyramid Life	10,759	5,447
Reliable Life	463,817	150,972
Reliance Life	9,324	2,525
Republic Life & Acc.	70	.....
Reserve Life, Tex.	35,642	33,134
Royal Indemnity	12,332	21,154
St. Paul-Mercury Indem.	14,052	6,153
Security Benefit Life	9,245	3,985
Security National	73,559	15,179
Standard Accident	16,972	5,257
State Automobile, Ia.	1,352	.....
State National Life	15,100	36,765
State Mutual Life	42,093	16,746
Sterling	204,774	61,841
Sun Indemnity	3,573	127
Supreme Liberty Life	4,049	.....
Travelers	842,973	592,136
Travelers Protective	107,256	87,121
Union Labor Life	5,767	1,691
Union Life, Ill.	118,470	36,593
Union Mutual Life	8,927	1,253
United Benefit Life	235,490	111,807
United Commer. Trav.	44,025	23,207
United, Ill.	515,796	221,424
United National Ind.	147	.....
U. S. Casualty	4,165	190
U. S. F. & G.	37,371	4,176
U. S. Guarantee	1,307	.....
U. S. Life	3,310	438
Universal Life	39,488	13,768
Washington National	586,147	232
Western & Southern Life	1,697	2,991
Western Cas. & Sur.	32,755	9,180
Western Life	971	343
Woodmen Accident	85,764	28,557
Woodmen Central	3,012	20,872
World	367,912	140,324
Zurich	149,126	96,532

BOILER & MACHINERY

Aetna Casualty	444	5,850
Amer. Employers	2,783	1,091
Amer. Guar.	6,510	3,985
Amer. Motorists	8,090	250
Arex Indemnity	14,970	.....
Columbia Casualty	25,263	4,212
Employers Liability	4,625	1,450
Fidelity & Casualty	40,415	5,815
General Accident	1	.....
Globe Indemnity	5,342	1,288
Hartford Steam Boiler	311,483	31,178
London Guarantee	2,683	2,347
Lumbermens Mut. Cas.	50,992	77,058
Maryland Casualty	127,119	15,352
Mutual Boiler	57,557	245
Natl. Indem. Exchange	20,235	5,658
Newark	71	.....
No. Amer. C. & S. Reins.	1,688	.....
Ocean Accident	34,002	20,487
Phoenix Indemnity	959	.....
Royal Indemnity	9,343	1,426
Travelers Indemnity	78,610	13,915

CREDIT

Amer. Credit Indem.	59,584	4,618
Employers Reins.	17,356	1,193
General Reins.	17,196	.....
London Guarantee	138,989	5,004
No. Amer. C. & S. Reins. ....	.....	96

LIVESTOCK

Farm Bureau Mut., Mo.	1,333	762
Hartford Livestock	77,854	19,387

& Co. at Chicago. He had been with Virginia Surety for five years and previously was with the Illinois insurance department. He started in the business with Travelers and became special agent and then assistant manager at Pittsburgh, Albany and Indianapolis. He became branch manager of Republic Casualty at Pittsburgh and casualty department manager of the Hodgkinson & Durfee general agency at Chicago. He was for a time branch manager at Chicago of Norwich Union Indemnity.

New Claim Unit at Lexington

Royal-Liverpool has opened a casualty claims office in the Central Bank building at Lexington, Ky., with Paul G. Welting as manager. He was at Memphis.

Daniel L. Sullivan, Jr., former assistant attorney general for the state of Washington, and attorney for the insurance department, has resigned to go with New York Life in the group department at the head office.

Ira R. Blunt has been appointed Detroit manager of Massachusetts Bonding.

Arthur V. Smith, formerly with Zurich in California, has joined American Surety at Seattle.

C. Parker Paul has been appointed office manager of the Wilshire division of United Pacific at Los Angeles; Albert S. Dorsey is named assistant office manager at the Seattle branch, and Mark R. Morgan becomes manager of printing and supply at the home office.

Walter E. Wellman, formerly a field man at Buffalo, has been appointed field man at Rochester, N. Y., for Standard Accident. Marion Zarzecki, who was formerly clerk for the chief justice of the Cook county criminal court, has been named claim representative at Chicago. James W. Mulvaney, formerly with Michigan Mutual Liability, is named casualty underwriter at Chicago.

COMPANIES

U. S. Liability Is Released From Custody of State

United States Liability of Philadelphia, which was placed in receivership in 1944, has now been turned loose to resume operations. All of its property that has been held by the insurance commissioner as liquidator has been returned to the company. The capital has been reduced to \$200,000, consisting of 40,000 \$5 par value shares, from \$250,000 and net surplus is \$100,000.

Stock Dividend Declared

WASHINGTON—Government Employees' Ins. Co. has declared a 14 2/7% stock dividend consisting of 25,000 shares of \$4 par value common stock, payable July 6 to stock of record June 11 in the ratio of one share of dividend stock for each seven shares of stock held on record date.

The regular quarterly dividend of 30 cents per share payable June 25 to stock of record June 11 was declared.

American Surety has declared a dividend of \$1.50 per share payable July 2 to stock of record June 8.

Mutual Casualty Group Slate Statistical, Procedures Parley

The accounting and statistical and the office methods and procedures committees of Conference of Mutual Casualty Companies will hold a two-day meeting on those subjects June 21-22 at the Hotel Stevens, Chicago. J. B. Wilson, American Farmers Mutual, is chairman of the office methods committee, and Frank M. Mittelbush, State Farm Mutual Automobile, is head of the

accounting and statistical group.

On the first day speakers and their subjects will be: C. A. Marquardt, State Farm Mutual, "Office Production Controls and Clerical Training Programs"; Marvin Rusk, Farm Bureau Mutual Automobile of Ohio, "Job Evaluation for Office Employees," and Dr. W. A. Eggert, Lumbermen's Mutual Casualty, "Psychology of Getting Along with Employees."

On the second day there will be talks by Thomas F. Park, Farm Bureau Mutual Auto, "Payroll Accounting on Punch"; Ralph Redus, Iowa Mutual Casualty, "Branch Office Accounting," and J. F. Gill, National Assn. of Independent Insurers, on "Statistical Plans," in the morning, and in the afternoon the speakers will be J. M. Kutt, Auto-Owners, "Investment Accounting on Punch Cards"; T. P. Olofson, State Farm Mutual, "Accrual Method of Accounting," and Robert Kelliher, Farmers Mutual Auto of Wisconsin, "Arrangement of Tabulating Machine Rooms."

Put off Montana Hearing

On a second occasion a hearing was postponed on the request of the Montana Industrial Accident Board that Commissioner Holmes of that state revoke the license of Idaho Compensation Ins. Co.

Mr. Holmes in announcing the cancellation, said that a joint examination is being made of that company by the Idaho and Montana departments. After that is completed the Montana department intends to go ahead with the hearing which was first requested by Walter P. Coombs, who was then chairman of the accident board.

Schneider in New Field

Walter E. Schneider, former treasurer of Preferred Accident, has joined Distributors Group, Inc., as a portfolio manager. The company serves as investment manager for Group Securities, Inc., the mutual investing company.

Bankers Insurance Unit Chairman Has Suggestions for Coverage Changes

A revision in the premium schedule for the comprehensive safe depository liability policy together with a reduction in rates is recommended by Harry F. Harrington, vice-president of Boatmen's National Bank of St. Louis and chairman of the insurance and protective committee of American Bankers Assn. In an article in the "Protective Bulletin," Mr. Harrington comments that loss experience under the comprehensive safe depository liability policy has been extremely favorable for more than 15 years. He suggests that premiums be based on the number of rented safe deposit boxes instead of the total number of boxes installed.

He also recommends that the A.B.A. bank burglary and robbery policy be shortened and made more adaptable for excess rather than primary insurance on banks. In 1937 when the current form was last revised, Mr. Harrington notes that many banks carried it for primary insurance against hold-up loss on the premises and burglary of safes and vaults. Since then, however, bank insurance has been improved due principally to 10 major reductions in blanket bond rates cutting these premiums 66% below the 1936 level. Only a few banks are without blanket bonds, and the A.B.A. bank burglary and robbery policy is carried by most banks for excess insurance above the burglary and robbery coverage in the blanket bond.

Premium rates for bank burglary and robbery should be further reduced, Mr. Harrington adds, since the experience has shown excessively low loss ratios in every state and this means that the high territorial rating divisions have become outmoded and should be eliminated.

Gather at Bloomington

State Farm Mutual Automobile is to be host at a meeting and outing June 21 at Bloomington, Ill., of the directors of National Assn. of Independent Insurers and of Midwestern Independent Statistical Service.

"Other Driver" Liability Up

An amendment to the California financial responsibility law, passed by the lower house, doubles the civil liability of a vehicle owner in accidents causing death or injury where his car is driven with his permission by another person.

The new amendment provides that the owner's liability for imputed negligence shall increase from \$5,000 to \$10,000 where one person is killed or hurt, and from \$10,000 to \$20,000 where more than one victim is injured. Liability for property damage in any one accident remains at \$1,000.

Hike Ala. Glass Rates 13%

An increase of 13.3% in the glass insurance rates for Alabama has been announced by National Bureau of Casualty Underwriters.

The increases by territories are: Birmingham, 16.7; Mobile, 15.6; Montgomery, 31.4; remainder of state, 9.3.

OK FR Bill in Conn.

HARTFORD — The Connecticut house judiciary committee filed a favorable report on a security type financial responsibility bill with a \$100 property damage minimum. An assigned risk plan would be created by statute.

Conn. Midyear Gathering

Connecticut Assn. of Insurance Agents at its midyear meeting at Norwich Wednesday heard the report of the administration by President Philip Bliss, had a panel on business interruption insurance for which the moderator was F. Chandler Moffat of Westport, vice-president of the association and the members of which were Henry J. Steeneck, state agent of Home; J. L. Moffitt, assistant vice-president of Crum & Forster and Arthur N. Eagles, director of training of Hartford Fire; heard a talk on the financial responsibility law by Richard Wagner, secretary of Assn. of Casualty & Surety Companies, and a talk on salesmanship by Gene Flack of Sunshine Biscuits, Inc. Commissioner Allyn of Connecticut and Mayor Marks of Norwich extended greetings at the luncheon.

New Office Managers Assn. at Boston Elects Emery

Boston Assn. of Insurance Office Managers has been formed with Ralph B. Emery, Gilmour, Rothery & Co., as president. William K. Freebe, Aetna Casualty, is vice-president, and James J. Hernedy, Kaler, Carney, Liffier & Co., secretary.

Neb. Mutual Agents Elect

Chris Rosenberg of North Platte was named president of Nebraska Assn. of Mutual Insurance Agents at its annual meeting at Lincoln. Joe Robertson of Scottsbluff is first vice-president; Duane Armstrong, Ord, second vice-president. Speakers included, Wayne C. Farmer, vice-president of Standard Reliance, who warned of the necessity of insurance to value; Robert S. Sommerville, Employers Mutual Casualty on workmen's compensation; Paul Colburn, president Protective Fire; K. L. Hunt, Nebraska Inspection Bureau, and John F. Moss, Retail Credit Co.

Gould & Gould of Seattle have been appointed general agents in Washington and Oregon for English American Underwriters of London & Lancashire.

Mrs. Audrey Bishop has been named assistant secretary of Pan American Casualty and Pan American Ins. Co. of Houston.

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Am. Fid.
Am. Guar.
Am. Inter.
Am. Motor.
Am. Mut.,
Am. Mut.
Am. Reins.
Am. Repul.
Am. Surety.
Anchor Ca.
Arex Inter.
Assoc. Ind.
Atlantic M.
Bankers I.
Bitum. Ca.
Car & Gen.
Cas. Ind.
Cas. Recept.
Central Na.
Central St.
Central Su.
Century In.
Columbia C.
Commer. C.
Commer. S.
Conn. Inde.
Consol. Un.
Cont. Cas.
Druggists I.
Econ. Auto.
Empl. Cas.
Empl. Liab.
Empl. Mut.
Empl. Mut.
Empl. Reins.

1950 IOWA DIRECT CASUALTY WRITINGS AND NET LOSSES INCURRED

	Total Premia. and Losses	Work. Comp. Premia. and Losses	Other Liab. Premia. and Losses	Auto. Liab. Premia. and Losses	Auto. P.D.L. Premia. and Losses	Fidel. Premia. and Losses	Surety Premia. and Losses	Plate Glass Premia. and Losses	Burg. Theft Premia. and Losses	Total Premia. and Losses	Work. Comp. Premia. and Losses	Other Liab. Premia. and Losses	Auto. Liab. Premia. and Losses	Auto. P.D.L. Premia. and Losses	Fidel. Premia. and Losses	Surety Premia. and Losses	Plate Glass Premia. and Losses	Burg. Theft Premia. and Losses
Acc. & Cas.	1,030	142	363	259	241	98	30	30	30	1,030	142	363	259	241	98	30	30	30
Aetna Cas.	435,546	81,207	62,194	75,981	51,881	63,327	30,017	8,960	39,014	435,546	81,207	62,194	75,981	51,881	63,327	30,017	8,960	39,014
Allied Mut. Cas.	3,187,601	260,160	269,983	819,871	638,508	28,978	3,996	5,978	16,781	3,187,601	260,160	269,983	819,871	638,508	28,978	3,996	5,978	16,781
Allstate	1,112,927	133,654	54,860	236,606	279,962	54,570	.....	3,398	3,808	1,112,927	133,654	54,860	236,606	279,962	54,570	.....	3,398	3,808
Am. Alliance ..	187,175	.....	954	632	.....	.....	.....	.....	.....	187,175	.....	954	632	.....	.....	.....	.....	.....
Am. Auto	575,942	129,473	63,311	191,345	139,484	5,009	1,376	0,424	16,977	575,942	129,473	63,311	191,345	139,484	5,009	1,376	0,424	16,977
Am. Bonding ..	33,129	.....	276	.....	12,765	12,297	1,152	5,965	.....	33,129	.....	276	.....	12,765	12,297	1,152	5,965	.....
Am. Cas.	64,145	7,006	7,084	8,981	6,127	979	945	3,010	4,681	64,145	7,006	7,084	8,981	6,127	979	945	3,010	4,681
Am. Empl.	105,728	24,302	14,566	15,352	10,935	3,725	2,217	3,028	12,209	105,728	24,302	14,566	15,352	10,935	3,725	2,217	3,028	12,209
Am. Fmrs. Mut.	164,257	8,716	6,822	39,402	23,544	.....	1,178	1,017	.....	164,257	8,716	6,822	39,402	23,544	.....	1,178	1,017	.....
A. Fmrs. M. Au.	262,621	4,767	619	22,435	15,626	.....	.....	196	168	262,621	4,767	619	22,435	15,626	.....	.....	196	168
Am. Fmrs. M. C.	24,454	.....	6,905	.....	42,177	.....	.....	.....	.....	24,454	.....	6,905	.....	42,177	.....	.....	.....	.....
Am. Fid. & Cas.	101,373	.....	1,709	67,279	23,962	.....	.....	.....	.....	101,373	.....	1,709	67,279	23,962	.....	.....	.....	.....
Am. Guar.	5,782	.....	.....	9	8,078	.....	1,005	39	2,544	5,782	.....	.....	9	8,078	.....	1,005	39	2,544
Am. Indem.	13,518	1,000	366	234	203	10	132	1,372	.....	13,518	1,000	366	234	203	10	132	1,372	.....
Am. Motorists ..	191,740	110,560	29,666	2,939	2,819	5,776	211	.....	.....	191,740	110,560	29,666	2,939	2,819	5,776	211	.....	.....
Am. Mut., Ia.	139,262	.....	77	32,643	27,232	.....	.....	.....	.....	139,262	.....	77	32,643	27,232	.....	.....	.....	.....
Am. Mut. Liab.	576,511	318,280	24,295	16,196	29,128	.....	3,160	7	1,238	576,511	318,280	24,295	16,196	29,128	.....	3,160	7	1,238
Am. Reins.	68,647	4,605	3,418	3,305	1,041	5,456	48,240	33	524	68,647	4,605	3,418	3,305	1,041	5,456	48,240	33	524
Am. Republic ..	90,915	.....	22,100	.....	477	13,879	.....	.....	5,713	90,915	.....	22,100	.....	477	13,879	.....	.....	5,713
Am. Surety	347,562	25,686	24,617	36,898	26,373	61,146	108,438	5,237	13,927	347,562	25,686	24,617	36,898	26,373	61,146	108,438	5,237	13,927
Anchor Cas.	92,431	18,784	3,871	15,836	20,243	16,591	2,589	2,183	4,369	92,431	18,784	3,871	15,836	20,243	16,591	2,589	2,183	4,369
Apex Indem.	4,042	1,509	1,495	21,681	6,588	.....	1,067	3,144	1,123	4,042	1,509	1,495	21,681	6,588	.....	1,067	3,144	1,123
Assoc. Indem.	5,463	1,743	.....	3,250	470	.....	.....	100	2,220	5,463	1,743	.....	3,250	470	.....	.....	100	2,220
Atlantic Mut.	1,247	40	38	83	42	.....	.....	.....	.....	1,247	40	38	83	42	.....	.....	.....	.....
Bankers Indem.	2,778	664	1,053	252	170	.....	.....	.....	.....	2,778	664	1,053	252	170	.....	.....	.....	.....
Bitum. Cas.	10,655	2,394	.....	6,855	1,417	.....	.....	.....	.....	10,655	2,394	.....	6,855	1,417	.....	.....	.....	.....
Car & General.	788,140	607,755	75,768	35,015	24,885	.....	.....	.....	.....	788,140	607,755	75,768	35,015	24,885	.....	.....	.....	.....
Cas. Ind. Ex.	224,730	192,765	5,844	3,824	8,294	.....	.....	.....	.....	224,730	192,765	5,844	3,824	8,294	.....	.....	.....	.....
Cas. Recip. Ex.	496	115	113	192	41	.....	.....	.....	.....	496	115	113	192	41	.....	.....	.....	.....
Central Natl.	105	.....	105	.....	.....	.....	.....	.....	.....	105	.....	105	.....	.....	.....	.....	.....	.....
Central St. Mut.	71,133	24,103	2,861	26,029	12,106	.....	.....	103	.....	71,133	24,103	2,861	26,029	12,106	.....	.....	103	.....
Central Sur.	23,658	10,501	63	6,658	3,749	.....	.....	.....	.....	23,658	10,501	63	6,658	3,749	.....	.....	.....	.....
Century Ind.	561,109	.....	39,672	32,509	32,509	.....	.....	.....	.....	561,109	.....	39,672	32,509	32,509	.....	.....	.....	.....
Commer. Cas.	221,378	.....	14,654	16,675	.....	.....	.....	.....	.....	221,378	.....	14,654	16,675	.....	.....	.....	.....	.....
Commer. Std.	632,661	.....	133,061	133,061	.....	.....	.....	.....	.....	632,661	.....	133,061	133,061	.....	.....	.....	.....	.....
Conn. Indem.	259,316	.....	47,795	73,037	.....	.....	.....	.....	.....	259,316	.....	47,795	73,037	.....	.....	.....	.....	.....
Consol. Und.	71,118	.....	23,518	34,321	26,113	9,850	68,132	2,975	6,180	71,118	.....	23,518	34,321	26,113	9,850	68,132	2,975	6,180
Cont. Cas.	78,224	22,230	.....	4,148	1,702	12,123	1,334	441	.....	78,224	22,230	.....	4,148	1,702	12,123	1,334	441	.....
Druggists Mut.	91,776	25,569	13,380	17,787	14,508	3,280	4,901	2,583	6,068	91,776	25,569	13,380	17,787	14,508	3,280	4,901	2,583	6,068
Econ. Auto	35,581	8,383	8,786	7,638	7,406	72	1,239	1,022	.....	35,581	8,383	8,786	7,638	7,406	72	1,239	1,022	.....
Empl. Cas.	140,285	28,272	13,319	12,952	8,165	3,441	2,909	1,271	3,997	140,285	28,272	13,319	12,952	8,165	3,441	2,909	1,271	3,997
Empl. Liab.	35,084	25,462	1,863	600	2,841	605	85	138	148	35,084	25,462	1,863	600	2,841	605	85	138	148
Empl. Mut. Cas.	105,305	153	5,294	14,663	10,791	738	509	2,326	2,741	105,305	153	5,294	14,663	10,791	738	509	2,326	2,741
Empl. Mut. Liab.	33,524	.....	3,107	6,817	5,297	67	.....	1,129	246	33,524	.....	3,107	6,817	5,297	67	.....	1,129	246
Empl. Reins.	27,038	1,496	946	3,658	2,440	.....	.....	248	222	27,038	1,496	946	3,658	2,440	.....	.....	248	222
Excess	18,683	.....	1,023	1,796	1,301	.....	.....	65	15	18,683	.....	1,023	1,796	1,301	.....	.....	65	15
Fact. Mut. Liab.	24,967	10,781	263	3,936	2,732	.....	.....	.....	.....	24,967	10,781	263	3,936	2,732	.....	.....	.....	.....
Fmrs. Cas.	1,395,631	129,896	33,833	70,246	50,681	22,632	68,802	3,778	15,217	1,395,631	129,896	33,833	70,246	50,681	22,632	68,802	3,778	15,217
Fmrs. Eh. M. C.	619,840	80,245	5,790	6,779	28,544	3,165	2,888	2,054	1,914	619,840	80,245	5,790	6,779	28,544	3,165	2,888	2,054	1,914
Fmrs. Ex. Cal.	161,787	.....	4,540	3,812	.....	.....	.....	.....	.....	161,787	.....	4,540	3,812	.....	.....	.....	.....	.....
Fmrs. Mut. Aut.	43,554	.....	1,558	48,149	40,970	.....	.....	18	.....	43,554	.....	1,558	48,149	40,970	.....	.....	18	.....
Fmrs. Mut. Hall	59,250	.....	175	20,442	10,663	.....	.....	4	.....	59,250	.....	175	20,442	10,663	.....	.....	4	.....
Fed. Mut. L.A.H.	775	.....	.....	.....	.....	.....	.....	.....	.....	775	.....	.....	.....	.....	.....	.....	.....	.....
F. & C.	1,023,138	258,272	86,341	164,849	117,586	53,090	28,391	13,796	32,209	1,023,138	258,272	86,341	164,849	117,586	53,090	28,391	13,796	32,209
F. & D.	316,454	103,767	30,767	64,950	84,697	.....	.....	4,814	5,626	316,454	103,767	30,767	64,950	84,697	.....	.....	4,814	5,626
Fid. Phenix Fire	186,047	.....	3,415	.....	66,307	91,385	1,674	19,054	.....	186,047	.....	3,415	.....	66,307	91,385	1,674	19,054	.....
Fmrs. Fd. Ind.	22,542	.....	93	.....	13,533	.....	23	1,604	3,468	22,542	.....	93	.....	13,533	.....	23	1,604	3,468
Freeport M. C.	203,086	.....	27	.....	.....	.....	.....	.....	.....	203,086	.....	27	.....	.....	.....	.....	.....	.....
General Acc.	53,725	15,047	5,067	15,821	10,878	1,925	886	730	394	53,725	15,047	5,067	15,821	10,878	1,925	886	730	394
Gen. Cas., Wash.	1,007	.....	5,067	15,821	10,878	1,925	886	730	394	1,007	.....	5,067	15,821	10,878	1,925	886	730	394
Gen. Cas., Wis.	600,660	1,907	32,740	163,350	114,808	.....	.....	249	15	600,660	1,907	32,740	163,350	114,808	.....	.....	249	15
Globe Indem.	233,928	.....	4,473	73,156	48,775	.....	.....	.....	.....	233,928	.....	4,473	73,156	48,775	.....	.....	.....	.....
Grt. Am. Ind.	71,283	17,026	8,505	12,618	8,960	.....	.....	840	2,546	71,283	17,026	8,505	12,618	8,960	.....	.....	840	2,546
Grt. Amer.	20,261	24,870	4,970	12,491	3,928	.....	.....	188	290	20,261	24,870	4,970	12,491	3,928	.....	.....	188	290
Grt. Central	100,054	1,701	10,268	45,745	30,671	917	1,900	1,397	4,658	100,054	1,701	10,268	45,745	30,671	917	1,900	1,397	4,658
Guar., N. A.	32,022	461	1,371	14,612	16,589	123	.....	46	164	32,022	461							

	Total Prelms. and Losses	Work. Comp. Prelms. and Losses	Other Liab. Prelms. and Losses	Auto. Liab. Prelms. and Losses	Auto. P.D.L. Prelms. and Losses	Fidel. Prelms. and Losses	Surety Prelms. and Losses	Plate Glass Prelms. and Losses	Burg. Theft Prelms. and Losses
Mfrs. & Whlrs.	27,412	4,592	6,964	4,868	25				
Maryland Cas.	379,641	71,651	42,511	66,145	48,081	12,446	47,589	7,013	10,527
Mass. Bond.	130,775	17,075	7,931	65,601	22,608	161	1,985	2,259	3,343
Merch. Indem.	105,308	13,333	8,242	11,909	9,350	13,050	12,694	1,874	6,141
Merch. M. Bond.	22,101	6,645	6,919	5,412	2,651	—999	—978	1,035	776
Metro. Cas.	17,173	1,365	8,550	6,073	6,073			459	273
Mich. Mut. Liab.	22,347	1,063	15,422	5,682				82	42
Mich. Surety	93,110				3,088	90,022			
Midwest Am. M.	88,330				506	6,488			
Midwest Mut.	324,166				244	1,610	1,085	1,461	
Minn. Fmrs. M.C.	106,558							256	276
Mot. Carriers M.	40,181								
Nat. Veh. Cas.	296,620	15,329	71,941	60,990					
Mu. Fire & Auto	114,822	4,755	26,564	36,112					
Mutual Sur.	792,778		140,822	121,512					
Natl. Indem.	403,673		46,979	60,017					
Natl. Surety	153,876	6,238	4,305	31,848	16,387	536	3,202	1,806	3,362
New Amst. Cas.	60,537	2,025	441	4,988	2,208	—37	39	19	278
Newark	101,969				58,861	20,650			
N. Y. CAS.	260,093	50,737	11,908	24,682	18,532	45,544	71,900	2,422	26,396
North. Cas., In.	52,291	29,217	—26	5,834	10,105	—5,080	4,200	1,755	3,952
N.A.C. & S. Re.	198,088	32,572	28,643	48,693	31,067	4,855	10,567	3,437	11,326
Ocean Acc.	75,498	33,764	12,127	2,399	14,677	644	—721	947	3,422
Peerless Cas.	167,907	11,012	6,763	18,924	13,431	575	1,744	2,847	4,418
Pacific Empl.	27,110				5,616	1,900			
Phoenix Ind.	106,727	9,826	6,784	19,839	15,436	11,010	11,698	1,305	3,097
Pioneer N. Cas.	40,723	2,833	2,815	6,785	12,229	4,901		230	942
Preferred Acc.	145,425				35,426	33,034			
Prof. Blak. Mut.	52,950				8,145	15,049			
Reserve, Ill.	133,974	5,927	8,102	19,103	4,429	26,322	40,709		9,583
Seaboard Sur.	101,140	—896	—4,692	56,128	11,454	39,584	1,174	—2,782	
Shelby Mut. Cas.	126,341	34,733	14,401	26,909	19,389	6,138		2,438	3,427
Standard Acc.	48,156	3,057	7,485	18,374	13,087	—67	1,030	1,610	
St. Auto, In.	659,853	40,958	37,893	135,821	114,430	8,480	24,839	7,294	16,879
St. Farm, Ill.	208,525	10,975	2,432	56,651	49,846	66	16	2,978	1,946
Suburban Cas.	27,350	16,593	2,316	2,573	2,392				
Sun Indem.	7,116	2,877	—2,803	10	6	68,748	18,846		
Transit Cas.	98,471				53,628	6,539	3,000		107
Transportation	89,323				27,051	18,147	2,033	720	3,585
Travelers	89,323				27,051	18,147	2,033	720	3,585
Truck Ex., Cal.	104,036				104,036				
Un. Auto. Ind.	585	16	23	265	141				
Un. Ben. Fire.	264								
Un. Fire & Cas.	313,804	68,391	32,279	80,494	59,365	2,447	34,389	6,307	9,749
Un. Natl. Ind.	108,432	37,917	540	23,889	35,973	—762	2,804	1,183	
Un. Pacific	240,855								
U. S. Cas.	1,699								
U. S. F. & G.	312,618	11,581	9,089	83,309	64,051				
U. S. Guar.	63,348	3,550	12,657	17,307					
Univ. Surety	—3,371								
Univ. Und.	5,229								
Utica Mut.	202,490	56,525	40,143	35,575	28,026				
West. Cs. & Sur.	117,693	46,408	9,232	19,758	11,686				
West. Sur.									
Wolverine									
Yorkshire Ind.									
Zurich									

1950 Iowa Totals by Classes Shown

	1950 Direct Writings	1950 Net Losses Incurred	1949 Direct Writings	1949 Net Losses Incurred
Workmen's Comp.	8,560,181	4,070,486	8,274,262	3,319,388
Other Liability	3,135,705	917,280	3,191,034	544,566
Auto Liability	11,556,367	5,916,899	10,753,506	3,997,072
Auto P.D.L.	8,508,490	4,701,230	17,967,950*	7,805,295*
Other P.D.L.	985,942	547,866		
Fidelity	939,538	131,137	837,199	144,991
Surety	1,990,982	204,131	1,690,495	83,651
Glass	345,491	140,143	284,908	126,074
Burglary	994,593	195,110	725,348	165,403
Credit	25,859	1,634	30,853	
Boiler & Mach.	696,743	121,265	508,030	73,850
Livestock	164,929	66,338	36,659	18,170
A. & H.	21,106,269	12,338,289	17,597,834	8,929,353
Hospitalization	9,320,076	7,625,246	7,665,145	6,178,078
Totals of above classes	68,301,265	36,977,054	69,563,313	31,385,891

Premiums in these tables are shown on a direct writings basis and losses on a net incurred basis, except for reinsurance companies in which case net premiums written and losses incurred are reported. Losses in the A. & H. table are reported as net paid for life companies and as net incurred for casualty companies. Hospitalization business is reported as net premiums written and losses paid. Totals for the individual companies include the casualty lines shown in the accompanying tables and property damage other than auto as well as fire and allied lines when written.

*1949 totals include auto P.D.L. and collision as well as P.D.L. other than auto.

Other Lines

	Direct Writings	Net Losses Incurred
Accident & Casualty	175	346
Aetna Casualty	1,829	
Aetna Life	646,499	479,537
American Auto	45	
American Casualty	22,778	7,969
American Employers	8,519	1,253
Amer. Farmers Mut.	19,279	5,398
Amer. Home Life	11,977	3,050
American Motorists	104	972
American Mut. Liab.	123,737	94,277
American Reins.	693	96
American Reserve Life	15,344	53
American Republic	85,202	37,613
American Surety	—7	
Bankers Indemnity	205	
Bankers Life, In.	134,760	96,944
Bankers Life & Cas.	1,988,586	685,346
Ben. Assn. Ry. Empl.	243,006	145,713
Berkshire Life	21	
Bluminous Cas.	303	
B. M. A. Cas.	470,470	309,224
Central Life, Ill.	34,359	10,593
Central National	30,836	11,088
Central Surety	524	50
Century Indemnity	184	
Columbia Casualty	2,013	699
Columbia Mut. Life	5,366	1,610
Columbian Natl. Life	12,093	7,071
Combined	527,471	228,994
Commercial Cas.	65,447	16,777
Continental Assurance	203,194	312,708
Continental Casualty	950,539	1,237,315
Craftsman	48,365	21,076
Des Moines Casualty	134,010	51,021
Economy Auto	40	
Employers Mut. Ben.	10,342	5,511
Employers Liability	10,806	68
Employers Mut. Cas.	62,452	25,765
Employers Mut. Liab.	11,409	12,917
Employers Reins.	11,057	1,074
Equitable Society	621,079	399,006
Farmers Exchange, Cal.	978	1,194
Farmers Life, In.	32,666	16,169
Federal Life & Cas.	91,237	11,042
Federal Life	167,842	89,972
Federated Mut. L. & H.	114,847	120,056
Fidelity & Casualty	18,285	2,798
Fidelity H. & A. Mut.	28,152	14,165
Fireman's Fund Indem.	1,073	475
Franklin Life	2,172	
General Accident	18,678	9,153
General Amer. Life	12,052	5,274
General Cas. Co. of Am.		
General Cas. Wis.	7,205	3,910
General Reins.	3,332	597
Glens Falls Indemnity	5,134	3,595
Globe Indemnity	6,970	1,055

	Direct Writings	Net Losses Incurred		Direct Writings	Net Losses Incurred
Great Amer. Indemnity..	828	25	Rockford Life	1,063	1,423
Guarantee Mut. Life.....	7,332	2,098	Royal Indemnity	3,634	458
Hardware Mut. Cas.....	1,842	425	St. Paul-Merc. Indem.....	10,133	2,207
Hartford Accident.....	36,783	9,490	Security Benefit Life.....	299	364
Haykewee-Security.....	1,408	.....	Standard Accident	6,443	222
Home Indemnity	1,889	1,402	State Auto, Ia.....	198,340	78,935
Hoosier Casualty	86,000	39,858	State Mutual Assurance..	1,391	2,931
Horace Mann Mut. Cas....	135,946	55,938	Sun Indemnity	1,065	—123
Illinois Bankers Life.....	74,044	35,215	Transportation .....	.....	2
Illinois Nat'l. Cas.....	100	.....	Travelers	1,808,409	1,380,558
Indemnity of No. Amer....	30,803	13,415	United Benefit Life.....	432,758	190,116
Inter-Ocean	6,682	8,275	United, Ill.	106,914	57,426
Inter-State Assurance	184,326	70,862	U. S. Casualty	585	.....
Iowa High School.....	115,488	89,626	U. S. F. & G.....	17,016	3,703
Iowa Traveling Men's.....	826,461	441,545	U. S. Life.....	109	.....
John Hancock.....	403,761	298,250	Western Cas. & Sur.....	6,318	2,051
Liberty Mutual	20,908	26,420	Woodman Accident	338,331	111,737
Lincoln Nat'l. Life.....	6,932	5,214	Zurich	33,596	26,386
London & Lanc. Indem....	113	.....		
London Guarantee	1,031	132			
Lumbermens Mut. Cas.....	26,498	27,217			
Loyal Protective Life.....	135,566	34,854			
Manufacturers Cas.....	57	.....		
Maryland Casualty	16,108	1,027			
Mass. Bonding	26,672	10,496			
Mass. Indemnity	8,165	1,268			
Mass. Mutual Life.....	9,824	8,324			
Mass. Protective	363,412	191,387			
Metropolitan Cas.....	2,210	2,917			
Metropolitan Life	735,565	551,642			
Midwest Amer. Mut.....	40	.....		
Midwest Life	37,203	10,827			
Missouri Life	16,702	4,568			
Monarch Life, Mass.....	461,624	220,417			
Mutual Benefit H. & A.....	2,024,212	1,295,922			
Mut. Savings Life, Mo.....	3	.....		
National Benefit	2,156,610	887,532			
National Casualty	84,818	50,302			
National Fidelity Life.....	43,713	18,456			
National Travelers	500,637	198,241			
New Amer. Cas.....	1,621	498			
Newark	225	.....		
North Amer. Accident.....	326,765	176,495			
No. Amer. C. & S. Reins.....	8,776	498			
No. Amer. Life & Cas.....	38,958	23,657			
Northern Life, Wash.....	102,869	44,545			
Northwestern Nat'l. Life..	29,419	14,490			
Occidental Life, Cal.....	282,880	163,392			
Ocean Accident	1,920	664			
Ohio Casualty	267	.....		
Old Line Life	2,339	2,606			
Old Republic Credit.....	1,257	.....		
Order Ry. Cond., Cal.....	234	122			
Order Ry. Cond., Ia.....	96,059	74,681			
Pacific Mutual Life.....	142,870	72,611			
Paul Revere Life.....	243,939	98,738			
Phoenix Indemnity	1,496	469			
Pioneer Mutual Life.....	31,411	15,237			
Pioneer National Cas.....	1,056	577			
Postal Life	24,436	11,449			
Preferred Accident	15,123	1,329			
Provident Life & Acc.....	259,221	197,240			
Prudential	344,410	239,297			
Reliance Life	1,543	106			
Reserve, Ill.	25,833	3,900			
Reserve Life	344,952	94,011			

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Hiestand Reelected by Ohio Federation

Insurance Federation of Ohio today at its annual meeting at Columbus re-elected J. C. Hiestand, vice-president and secretary of Ohio Farmers, as president.



J. C. Hiestand

Vice-presidents elected were Ben F. Hadley, Columbus Mutual Life, H. P. Young, Columbus agent; Louis McBride, Columbus manager for U. S. F. & Guaranty, and W. G. Alpaugh, Cincinnati, president of Inter-Ocean.

Elected to the governing committee were: Paul M. Smith, Herman O. Tice, Dean M. Kerr, Vincent G. Brown, E. F. High, C. J. Miller and Rodney F. Stock, all of Columbus; Paul H. Schultz, Mansfield, and R. L. Kester, Toledo. E. C. Anstaett, Columbus, president of Town & Village Insurance Service, and Homer Trantham of Columbus continue as treasurer and as executive secretary-counsel respectively.

Those elected to the fire committee were J. W. Huntington and Paul F. Brown, Columbus; R. W. Swisher, Springfield; John W. Kramer, Dayton; Ralph Slonaker, Greenville, and C. D. Rankin, Newark.

Named on the casualty and surety committee were E. J. Stoddard, Cincinnati; Glenn Brookhart, Celina; O. G. Houch, Athens; A. V. Harris, L. H. Grinstead and E. P. Gustafson, all of Columbus.

Elected to the A. & H. committee were Clarence L. Peterson, A. W. Franklin, J. M. Steward, Charles H. Coghlan and E. W. Welton, all of Columbus, and W. A. Knight, Cleveland.

Crichton Luncheon Speaker

Commissioner Crichton of West Virginia, the luncheon speaker, discussed current trends and developments in insurance and outlined the duties and responsibilities of commissioners, agents, companies and buyers. He said the commissioner is responsible for the administration of the insurance laws, the agent for sales and the company for the performance of the contract but that all of them together are responsible for progress.

Michigan Course June 10-16

LANSING, MICH. — The last insurance institute at Michigan State College before the summer vacation period



S. C. Wise, statistician for Western Reserve Mutual Casualty of Wooster, O., and K. C. Rhode, general manager and secretary of that company, at Midwestern Independent Statistical Service convention at Chicago.

is scheduled for June 10-16. The course will cover fundamentals of property and casualty with several field men appearing as instructors. Sections of the Michigan reference manual upon which license qualifying examinations are given are to be given special attention.

The institutes are co-sponsored by Michigan Assn. of Insurance Agents and the Michigan department.

Tontz Wichita President

Dan Tontz, U. S. F. & G., was named president of Wichita Casualty & Surety Underwriters Assn. and Herbert Kuhn, Fireman's Fund Indemnity, executive vice-president at the annual meeting. J. W. Vest, Hartford Accident, is secretary.

New. Cal. Hearing Dates

LOS ANGELES — The hearings on the proposed rules and regulations of the California department establishing classifications of risks and minimum premium rates for workmen's compensation, and rules governing their use, that were again postponed by Commissioner Maloney, have now been set for July 23 at San Francisco and July 25

at Los Angeles.

California Inspection Rating Bureau has amended its proposals to change the proposed effective date from July 1 to Oct. 1.

Armand Harris, former Minnesota commissioner, has been a patient at St. Joseph's hospital, St. Paul, since his re-

tirement. Later he will join the executive staff of St. Paul Fire & Marine.

Allstate has doubled the floor space of its Milwaukee branch office and now occupies the entire seventh and eighth floors of the Century building. The regional office supervises Wisconsin, Iowa, Minnesota and the Dakotas.



Study in symmetry at Midwestern Independent Statistical Service convention at Chicago; L. A. Trunk, president of Western States Mutual Automobile of Freeport, Ill.; Edward F. Gallagher, executive vice-president of American States, Indianapolis, and Thor Wanless of Springfield, Ill., firm of Hershey & Wanless.



ONE OF 142 Quality Checks

When automobile designers adopted the curved windshield, they automatically emphasized the importance of extreme care in producing Safety Glass. In the manufacture of curved windshields, slight deviation from the curvature specified might result in defects in the lamination and possibly faulty installation.

That's why we use our Quality Control No. 140 in the manufacture of curved L-O-F Safety Plate Glass. This is an inspection test in which the finished windshield is checked against a master jig. It is only one of 142 Quality Checks and Controls we use in making L-O-F Safety Plate Glass. Each of them is equally important to you and your policyholders—because they assure:

1. Better heat stability
2. Better light stability
3. Better strength for safety
4. Better adhesion, glass to plastic

That's why L-O-F Safety Plate Glass is the best you can get —anywhere. Libbey-Owens-Ford Glass Company, 8051A Nicholas Building, Toledo 3, Ohio.

BE SURE YOU GET WHAT YOU PAY FOR



There are two grades of Safety Glass—one made of polished plate glass, the other of sheet or ordinary window glass. Claim agents who are on their toes when honoring broken glass claims always specify Safety Plate Glass and look for the L-O-F identifying stencil on each light supplied. That assures the policyholder and your company of getting full value.

NO FINER GLASS THAN
LIBBEY-OWENS-FORD

SAFETY L-O-F PLATE

Faith in Loss Experience Confuses Facts and Truth

(CONTINUED FROM PAGE 19)

tangible and undemonstrated authority of human judgment. In all human enterprises men seek security and like to avoid the consequences of being caught without an excuse. Therefore, if persimmon dealers show a bad loss experience, even though it be too thin to have any credibility, the inclination is to cancel all persimmon dealer risks; it's safer that way; if another bad loss occurs among persimmon dealers the boss cannot criticize the underwriter later because he knew of the hazard and did nothing about it. From the point of view of one's job, this course seems much more secure than the use of judgment. This, however, is the counsel of one's fears. The wise boss—and there are many such—would say, "You numbskull, what's your idea in throwing away good business? Your experience as an underwriter should have taught you that persimmon dealers are good risks regardless of a few bad accidents."

Pat on Back for Supervisors

Since company men are inclined to mistake facts for truth, can we blame some supervisory officials of our states for doing the same? Actually, as a group, I believe the state men have shown somewhat more understanding of the problem than have the staffs of the companies. But there have been exceptions, and I hope our state supervisory friends will forgive me if I tell of some of the situations which have occasionally developed. I would find these cases extremely amusing were they not such obstacles to progress and the rational conduct of our business.

Some time ago an independent company filed certain trifling rule and rate changes in a minor line of business. These changes were being adopted nationwide by the entire industry, having

been originally put out by the National Bureau. Here one might consider that he had an open or shut case: either the changes were justified or they were not on the basis of an industry pattern, and, if they were not justified for one company, they were not justified at all. It was a simple matter that should have been simply disposed of. But human beings prefer to make the simple complicated. One of the states replied to the filing with a demand for "statistical experience in support of the revised filing."

Now the state involved has the model rating law and the company replied quite naturally that the filing had not been made on the basis of the company's own statistical experience but rather that it was supported by judgment and the experience of other insurers and rating organizations. To this the state replied with the repeated demand that the company's own experience in the state by classification be filed. Again the company replied, this time to the effect that their experience in that state for that line was far too small for any degree of credibility when taken in total, let alone when taken by separate classifications, and that anyway the support was the experience of the National Bureau and the company's own judgment. The state's reply to this was to the effect that if state experience by classification was not credible, the company should supply its nationwide experience by classification.

Finally Got Action

Finally the company submitted its nationwide experience for one year not by classification but in total for the entire line of business, four figures; premiums written, premiums earned, losses incurred, and loss ratio—figures taken

bodily out of the insurance expense exhibit, figures anyone could get from the latest volume of Best's or the Spectator. This "statistical experience" brought forth the desired final approval five months after the original submission.

The loss ratio submitted happened to be rather close to the permissible loss ratio implicit in that line's rate structure. What action would the state have taken had the ratio been somewhat higher or lower than permissible? Would it have refused to allow the company to change its rates and rules in conformity with an industry change? If not, why all the delay and fuss?

Now, understand, I do not impugn the motives or the ability of the state official involved in this case. He is, no doubt, an intelligent, honest, and able servant of the people and in this instance he was doing what he considered to be his duty. I do suggest that he, like most of us company men, should develop a less factual and more truthful approach to the problem.

Habits Hard to Break

Here's another case which proves among other things perhaps that habits are hard to break. This time a state official wrote refusing approval of a filing of certain automobile collision manual pages until the company should "furnish experience justifying the increase in rates contained therein." This was somewhat baffling to the company in view of the fact that the filing involved the symbol and identification sections of the manual and was made for the purpose of setting up symbols for late model automobiles on which experience could not possibly have been developed at this time, even were there any reasonable way at any time to justify the assignment of a particular model to a certain symbol group.

And now, if I may, I should like to quote from a letter received from one of the best state rating supervisors in the country. The writer of this letter is an intelligent and well-informed official, who on numerous occasions has demonstrated a most thoughtful and constructive approach to company problems. The letter I shall quote from was in connection with a situation very badly handled by the company involved and arose from the tensions so developed, but none-the-less the implications are so serious as to make all independent companies shudder.

Requiring Independence

"We gather from your concluding paragraph that you infer that we are attempting to require uniformity. On the contrary, we believe that we have leaned over backward in trying to require the non-bureau companies to be independent."

Here we have a very dangerous philosophy indeed. If an independent company is to be required to be independent, as this official maintains, does that mean that it must not charge the same rates or apply the same rules as any other company or bureau?

Now continuing with his letter: "We consider each filing on its own merits and ask only that every filing be supported as required by our rating law. We find, however, that the non-bureau companies prefer to rely on the supporting information submitted by other companies rather than to justify their own filings and then adopt a resentful attitude when we ask information that will enable us to give proper consideration to their filings."

This official has apparently either never heard of, or has forgotten about, the laws of credibility. With perhaps some notable exceptions no independent company can support its rate filings in every detail by recourse to its own experience alone. That is why the "model" bill allows the filing of "the experience of other insurers or rating organiza-

The classic case of official misunder-

standing of the nature of rate justification through loss experience occurred at one of the N.A.I.C. conventions in the discussion of the multiple location rating plan proposed by a segment of the fire insurance industry. This, as you no doubt know, is a sort of experience rating plan for fire insurance and includes credibility factors for weighting a risk's own experience as against the permissible. Now credibility factors, like Einstein's law of relativity, are constructed from pure mathematical reasoning and are not the result of loss experience. Yet one august former commissioner in all sincerity demanded that the loss experience supporting the factors be produced. In effect this official was asking for the loss experience that would demonstrate to what extent one should credit the loss experience.

Human Experience Legitimate

It is recognized that wherever possible rates and rating plans must be based on experience, but, as mentioned earlier, human experience, which can and should be the clear truth distilled from a murky mass of living facts, must be admitted as having a true and legitimate weight in justification of rate filings. Human experience is expressed by the exercise of judgment, and in that exercise of judgment, because it is not an exact science like mathematics, there is always the possibility of disagreement and the danger that the judgment is in error. That risk must be taken since the probability of being truly right is greater thus than by relying on inadequate or inapplicable loss experience. And when it comes to the approval of rates based on judgment should we not expect supervisory officials to give a fairly high degree of credibility to that compound of human experience which is found in a successfully operated insurance company and to interpose their own judgment only to the extent of seeing that the proposals are reasonable, adequate, and not unfairly discriminatory? Under most of the applicable laws it is the duty of the state to pass on rates, not to make them. But this, of course, is another subject.

I have a friend who maintains that the manufacturers of business machines should spend unlimited sums lobbying in Washington and in the state capitals for bigger and better bureaus. He says—and he makes it sound very plausible—that the development of tabulating machines is what has made American bureaucracy possible and that if they hadn't been invented we could have managed just as well and paid less taxes. Of course I don't agree with him, for tabulating machines and their output help me earn my living. I agree that statistics are essential in the modern world.

Dead Hand of Past

In the present complex of human relationships we would be foolish indeed if we failed to study and profit by the experience of the past. But we must also remember that loss experience is only the dead hand of the past; it is not the living present nor yet the unborn future. History does not repeat itself. A child may resemble his father and his grandfather, but he will also be himself and different from them in many ways. Besides having the chance variations of heredity he will also develop in a new pattern because he lives in a new and different world. Although the past helps us to understand the present and to anticipate the future, it must not be made a substitute for initiative and imagination. Taking comfort and security behind a wall of loss experience is like taking comfort and security behind the Maginot Line. It is obsolete as fast as it is built.

I recently heard a little story which it seems to me illustrates several of the points I have been trying to make. One Sunday morning a boy came downstairs at 9 o'clock when the rest of the family were still in bed. The grandfather clock began to strike, continued up to nine, and went right on: 10, 11, 12 and on: 13, 14, 15, 16. . . . The boy rushed upstairs shouting, "Get up! Get up, everybody! It's later than it's ever been."

More than
355 Million Dollars
Paid in Benefits



A sizeable sum, as money goes . . . yet the human values of insurance benefits can never be adequately measured in dollars alone. These payments to Mutual of Omaha policyholders and their beneficiaries have kept families together; have meant proper care for the sick; have provided food, clothing and shelter, often in times of dire need. Mutual of Omaha has always kept the ideal of service uppermost . . . which may in large measure account for Mutual's tremendous growth and eminence in the field of health and accident insurance.



The Largest Exclusive Health and Accident Company in the World



MUTUAL BENEFIT HEALTH & ACCIDENT ASSOCIATION • OMAHA, NEBR.

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This boy had definite statistical proof and his conclusion in this instance was sound, for it is always later than it's ever been, but his statistics were inaccurate, inapplicable and lacked credibility. One would be foolish indeed to use them in justification of anything.

This simple faith in loss experience plays pretty tricks. I have often wondered at our eagerness in the insurance business for locking the door after the horse has wandered away and for keeping it locked when poor Dobbin tries to come home. We call the practice "establishing underwriting policy," and sometimes we show wisdom, but sometimes we act like that small boy.

Cites "Industry Cycle"

We all know the industry cycle. Poor loss experience followed by retrenchment followed by good loss experience followed by aggressive expansion followed by poor loss experience. In this day of the atom, I have taken some comfort from the assurance that if I hear the explosion, I am safe. There is a certain similar quality about loss experience. By the time it has been bad long enough to scare us, it is probably on the way to improvement, and if it has been good long enough to please us, it is probably degenerating. This may be because of that swing up and down of our underwriting courage, but I suspect that that may be less than half the story. If the trends with which we are concerned are industry wide and are sufficiently credible, they will result in general rate revisions which will bring the expected loss level back to normal. Thus the company which follows the zig-zag underwriting policy of hysteria will find that, by the time a bad experience has caused it to retrench and to eliminate everything but the cream from its portfolio, the rates are raised and the company is minus a sizable block of business which would now be profitable. Now the producers are beseeched to hustle out and get back that very business which but recently they were being ordered to throw overboard. Of course, at this point, with only the cream in its underwriting bottles and with the higher prevailing rates, the company feels justified by the apparent redundancy in the rates to let down the bars of its underwriting policy; and before we know it a bad loss experience is starting the whole cycle over again. And the only thing gained is ill-will.

Keep Feet and Ears to Ground

Perhaps this is a naive and oversimplified picture, but it does point up the principle that underwriting policy should be made of something more substantial than loss experience alone. Like good politicians, we must keep our feet and ears both to the ground. We must watch economic and social trends scientific developments and changing customs. We must even consider psychological factors for national shifts in emotion tending toward accidents or toward their absence. And always there should be the open and exploring mind, the experimental approach, the courage to study facts and the willingness to ignore them when they are in conflict with the truth as one sees it. Of such material should an underwriting policy be made; and with such a policy state supervision should be in constant sympathy if the truly best interests of the public are to be served.

Facts are transient, truth eternal; facts are signposts, truth is the road itself; and if we are to be pioneers, if we are to advance beyond the past, we must be willing to keep on going when the signs leave off. If underwriters had been unwilling to try, and if state officials had been unwilling to approve, any insurance process other than that already made secure by loss experience, we would still be on the borders of any unexplored continent of insurance. Happily this was not so, for we have been blessed with many able pioneers; we have had our Daniel Boones and our blazers of the Oregon Trail, and we have been fortunate most of the time with an understanding and sympathetic

official supervision. But there is still much unexplored territory. Who is to explore it now, who is to make new trails, if we grow timid and refuse to, or not permitted to, venture out except with signs to guide us?

Iowa Insurance Accounting Group Is Being Formed

Steps have been taken to organize an insurance accounting organization from the ranks of Iowa companies. During the time of the Midwestern Independent Statistical Service meeting at Chicago, there was a gathering of representatives of some 15 Iowa companies that was conducted by Ralph Redus of Iowa Mutual and Iowa Mutual Casualty of DeWitt.

A committee was appointed to arrange for the first meeting which will be held at Des Moines June 19 and will take the form of an afternoon gathering and dinner. Chairman of that committee is Don Wilson of State Auto of Iowa and the other members are George Bowles of Farmers Casualty of Des Moines; John Wagstaff, Employers Mutual Casualty of Des Moines, Mr. Redus and Richard Durham, who is just leaving the Iowa insurance department to join Iowa National Mutual of Cedar Rapids, of which his father, Harry Durham, has just been appointed executive vice-president and general manager.

Volunteer Driver Liable

In reply to an inquiry Attorney General Funk of Kentucky has given an opinion that a driver of a fire truck or ambulance of a volunteer fire department set up as a non-profit organization is subject to the automobile financial responsibility law. The only cars that are exempted are those owned by the U. S., the state or any political subdivision or municipality. The attorney general suggested that the motor vehicles belonging to the volunteer department might be given or loaned to a municipality so as to avoid liability, but he said the safest way is to take out insurance. Then both the drivers and the municipalities would be protected.

Kill Vermont Auto Bill

Just before adjourning the Vermont senate by roll call vote killed the house-passed bill to create an automobile unsatisfied judgment fund comparable to that in some of the Canadian provinces and in North Dakota. The vote was 11 to 17.

A bill was passed to amend the rating law to add section 13 of the all-industry measure which has to do with provisions for filing experience, etc.

Hear Retail Credit Man

P. M. Stansbury, Retail Credit Co., spoke before Los Angeles A. & H. Managers Club on "A. & H. Claims Field as Known to the Inspection Companies."

He pointed out that the companies are worried about the rising costs of hospitalization. In answer to questions he said Los Angeles hospitals in most instances will permit inspection of patients' charts, and that this is true in part in San Francisco. He said hospital costs in California are from 40% to 60% above the national average.

Bond Ont. Stock Brokers

TORONTO—New bond business is expected as a result of new regulations affecting stock brokers in Ontario. The provincial Broker-Dealers Assn. has adopted a regulation which will require all members to obtain a bond or insurance by Oct. 1 "from an insurance company licensed to do business in Ontario." From now on, cash bonds provided by the broker himself will not be accepted.

Fidelity insurance covering all employees must also be obtained. The amount of the bond must be at least

\$10,000 for members whose principal place of business is in Ottawa, Toronto, Hamilton, Windsor or London; \$2,000 for smaller cities and \$1,000 for towns.

Meet on Filing Requirements

Plans are being made to hold a meeting at Swampscott, Mass., June 2 of the rating men in zone 2 along with company representatives to discuss plans for uniform filing requirements. Consideration will be given to the zone 4 plan at that time.

Tennessee has promulgated filing re-

quirements effective June 1. They adopted the zone 3 plan.

Plan State Auto Mutual Parley

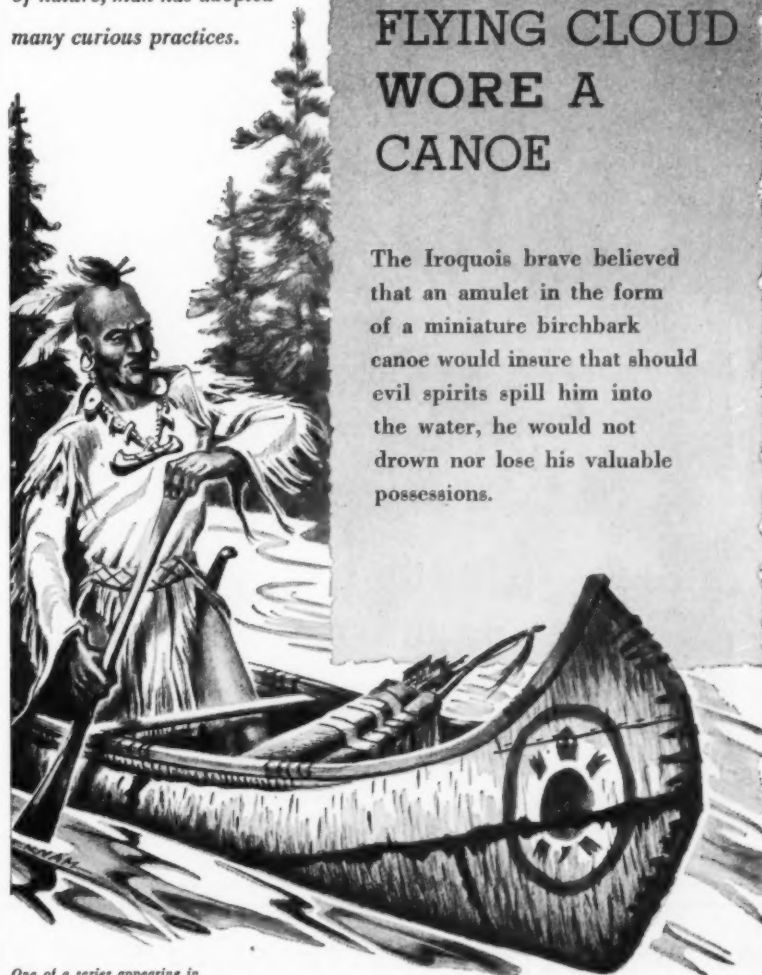
Sales and claim officials of State Automobile Mutual will hold a conference at Columbus May 24-25. Representatives from Ohio, Michigan, Kentucky, Maryland, Tennessee and West Virginia will attend.

Willard Garvey of the Amortibanc agency, Wichita, and Mrs. Garvey are the parents of their first daughter. They have two sons.

*In his attempt
to protect himself from
misfortune and the forces
of nature, man has adopted
many curious practices.*

WHY FLYING CLOUD WORE A CANOE

The Iroquois brave believed that an amulet in the form of a miniature birchbark canoe would insure that should evil spirits spill him into the water, he would not drown nor lose his valuable possessions.



One of a series appearing in business and consumer magazines.

Today, the businessman has real protection—receives prompt reimbursement for loss of money and securities if he has our 3-D Policy. It covers any such losses, both on or off the premises, due to Dishonesty (including thefts, burglaries or robberies by employees or others), Destruction and Disappearance. Call our agent in your community for this vital safeguard—now!

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NEW YORK CASUALTY COMPANY
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Bohlinger Would Safeguard Issuance of New Coverages

NEW YORK — If a reasonable amount of competition is to be guaranteed in the insurance world, the rights of a group of insurers less than the majority to introduce new coverages must be safeguarded, Superintendent Bohlinger of New York told the New York chapter of National Insurance Buyers Assn.

Some companies are reluctant to venture into the multiple peril field because they feel that stability in rates and forms may be destroyed, and Mr. Bohlinger recognizes this viewpoint. Multiple line legislation cannot automatically produce wonderful new coverages which furnish sound protection at unobjectionable prices. Still he thinks the legislation should bring welcome de-

velopments in the number and type of policies available to buyers.

Improved and simplified forms of cover should be obtainable through development of combination or package policies or through the all-risk or multiple peril approach. Previous methods of offering insurance on a named peril basis required the buyer to attempt coverage by fitting policies together like a jigsaw puzzle, to avoid overlaps and unnecessary premiums.

He said the idea of establishing a nation-wide rating organization for combination or all-risk policies seems commendable. The difficulties in processing a nation-wide program through dozens of local rating organizations should be avoided.

He believes the New York standard fire policy law gives wide latitude as to the extension and broadening of protection and that it will not prevent the introduction of broader coverages.

The Austin puddle of Alamo Blue Goose will hold its outing June 2.

WINSLOW RESIGNS

National Fire Men Are Advanced

HARTFORD — Holly W. Stevenson has been promoted from secretary and treasurer to vice-president of National Fire, succeeding Cameron Winslow, who has resigned.

William L. Bellmer is advanced from secretary to vice-president and secretary and Arthur F. Davies, Jr., from assistant treasurer to secretary and treasurer.

Mr. Winslow, who has been with National since 1929, resigned in order to give adequate attention to the investment funds of the Winslow family.

Mr. Stevenson has been with National since 1930, when he started as assistant secretary of the investment department. In 1949 he was named secretary and treasurer. He is a director of Dime Savings Bank and of Governmental Research Institute of Hartford.

Mr. Bellmer joined National in 1925 in the West Virginia field. In 1939, he was transferred to the country-wide binding and service office at New York as general agent. In 1944, he was made a secretary, and currently has been in charge of the brokerage department in metropolitan New York.

Mr. Davies joined the investment department of National in 1942. After army service he returned to the investment department and in 1949 was elected assistant treasurer.

Anti-Coercion Bill in Ill. Gets Don't Pass Vote

The Illinois senate building and loan committee, by a vote of 8 to 4, gave an unfavorable report on the so-called anti-coercion bill that was sponsored in behalf of the organized insurance agents and brokers. That vote came following a committee hearing at which the opponents of this measure were heard, including the Building & Loan League, Chicago Mortgage Bankers Assn., automobile dealers, etc. The Chicago Real Estate Board was represented at the hearing but did not have a spokesman.

There is a similar bill in the house. The senate insurance committee was due to have a hearing this week on the controlled business bill which would deny a license to an agent with 50% or more of his business in the "own risk" category.

A so-called umbrella bill which gives statutory recognition to various kinds of insurance organizations including agents associations, that passed the senate is still marking time in the house.

Insurance observers detect a disinclination on the part of the legislature to enact insurance legislation of any kind at this session.



L. T. Coddington, supervisor of the casualty rating division of the Illinois department; J. Huell Briscoe of the Chicago insurance consulting firm of Chase Conover & Co., and Lowell Snorff, assistant counsel of Lumbermen's Mutual Casualty, at Chicago meeting of Midwestern Independent Statistical Service.

nation on the part of the legislature to enact insurance legislation of any kind at this session.

The reciprocal interests that were sponsoring a bill to increase the organization requirements of reciprocals have now made their bill conform to the measure that is sponsored by the insurance department in this direction.

Reciprocals are much interested in a bill to give the reciprocals the same underwriting powers as the mutual companies. Presently there are some deficiencies in this respect. For instance, a reciprocal may not write property damage liability insurance other than auto. The bill passed the house unanimously.

Reciprocals in Illinois may not write A. & H., fidelity and surety, burglary and forgery or miscellaneous casualty insurance, and they may not write crop insurance or certain types of inland marine risks.

Blast Losses in Mass. Being Combined into Giant Subrogation Action

Nearly 200 individual suits which probably will be combined into a single subrogation action have been filed in Middlesex, Mass., superior court in the names of 200 home-owners in Newton whose homes, during the past 18 months, have been damaged as a result of blasting operations on construction of the Hultman aqueduct carrying water from Quabbin reservoir to Boston.

Suits filed so far totaled \$122,297 against five construction firms. However, the homeowners have been paid by their insurers, and the contractors are covered with public liability insurance.

Damage is thought to average between \$500 and \$600 a claim, although there are some individual suits for as much as \$5,000 where the blasts caused dwellings to settle or cracked foundations.

The homeowners argue that the contractors were put on notice that their safety precautions were inadequate when it was first brought to their attention that their blasting was causing damage.

The suits may set a precedent for contractors liability insurance.

Fire Fighting Charges Upped

The action of the South Carolina Rating Bureau in increasing to \$300 the amount of fire department service charge insurance that may be purchased was taken at the request of a number of local agents, particularly at Columbia, S. C., where the fire departments have considerably increased their fees for runs outside the corporation limits.

These fees have been increased to as high as \$500 in some places although the majority continue to remain in the range between \$50 and \$100. There is a considerable amount of this insurance sold in some of the southeastern states, but it is not desired coverage.

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\$2,500 COMPLETE COVERAGE Including:

(Not more than 9 employees)
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500.00 Money & Securities (Broad Form), Blanket, Inside and Outside Premises*
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500.00 Forgery & Alteration Cover—Outgoing Paper, excluding Employee—Forgery Hazard*

\$2,500.00 TOTAL *Increased limits available



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Package Policy Problem Pondered

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thing You Can Do, I Can Do Better."

If a plan of a package policy at specific rates for component parts, subject to savings justified by the packaging, is adopted, the present puzzle presents fewer difficulties.

Ultimately executives will decide the issues to meet the legitimate and reasonable requirements of insured and preserve the integrity of certain fundamental classifications plus the solvency of the companies, Mr. Wayne said. However, he said, there are many questions and dangers ahead.

The enigma confronting the business is this: Shall package policies, whether combining only two or more specific perils or covering all risks on all or a specified part of insured's property and liability, be subject to premium calculated at appropriate rates for the divisible, component parts of such policies? Or, shall such policies be subject to a single composite and indivisible rate or premium for the whole?

Mr. Wayne called attention to the recent announcement of a plan to form an organization to rate and file certain types of all-risk and multiple line policies. Disclaiming any desire to protect or enlarge his own bureaucratic domain, and pointing out that the issues must be decided by company management, he asked if such a new nation wide organization is to make and file composite rates for all-risk packages, or rates for coverages or perils not now rated by other established rating organizations, or both?

The business must determine the manner in which and the source through which rates and filings are to be made, whether package policies are eventually to be written at composite, indivisible rates, or otherwise, or both. If the package is to be all risks at a composite rate, who is to determine what the composite rate shall be? Will the package be inland in some states as it is now and something else in others?

Some In, Some Out?

Is the inland classification, if it is to continue as such at all, to be henceforth strictly limited to what is presently in that category with everything else becoming a new package? What happens if some members of I.M.I.B. want that bureau to act for them in the making and filing of all-risk rates for the new package policies while the other members of I.M.I.B., as members of another rating organization, want the latter to act?

Mr. Wayne does not think the business should look to supervisory officials for the answers since the business always has maintained that government supervision is not a substitute for management.

Total inland marine insurance volume increased slightly over 1949, Mr. Wayne reported. In 1950 net direct premiums of stock insurers in round figures will be \$242,500,000, compared with \$237,500,000. Paid losses will be almost exactly the same, \$96,750,000. For the first time in 1950 inland premiums written by both stock and mutual insurers will exceed the quarter billion mark. In 1930 when I.M.U.A. was organized premiums totaled less than \$40 million.

On the educational side, I.M.U.A.'s motion picture "Found Money" has been shown in 33 states, Hawaii and Canada to more than 10,000 persons at more than 150 separate showings. The film is becoming more popular as part of the curriculum of several universities in connection with their insurance courses. He noted the sound, effective work being done by the arson division of National Board on behalf of the inland business.

A representative of the FBI will talk at the May 28 meeting of Penn Pond of Blue Goose at Philadelphia.

Midwestern Statistical Rally

(CONTINUED FROM PAGE 17)

he takes the position that the legislature did not intend that the department should be required to lend its name to a rate approval based entirely on someone else's unsupported judgment.

He said he is eager to have statistics but that doesn't mean he is going to be a slave to the purely mathematical conclusions of those statistics. There are other factors that must be given consideration such as judgment. However, sufficient explanation of statistics should be presented so that the department can arrive at conclusions as to whether the judgment is reasonable.

Shies From Radical Moves

Mr. Day said he is trying to avoid remaking the world over night. For instance, in recent approval of the new workmen's compensation rating plan, he tried to recognize an historical situation to provide an interim setup that is a great improvement over the old plan, but that is a long way from strict statistical rigidity. A rather generous amount of play for schedule rating or judgment was recognized to give effect to prospective experience.

Mr. Day spoke of the necessity of preventing inadequate rates. For instance in Illinois one company after another that had written taxicab insurance at cut rates became insolvent. At one time there was a crisis because of lack of outlet for taxicab insurance which under the law is compulsory. He said there are certain companies that are fatally attracted by the available large volume of hazardous business. They think that history has no lessons for them and they can take on these difficult risks at cut rates. They tend to crowd the experienced and substantial insurers out of that line and then there is trouble for everyone when they go under.

A rate is not adequate simply because the company has the surplus to stand the loss on it. It should be adequate as to actual results in that territory and he said he is gratified that the state has authority to control inadequate rates through advance filings.

Symposium Is Conducted

A symposium on rating matters on the part of the insurance commissioners present provided no fireworks. Mr. Day made some remarks as did Commission Forbes of Michigan but Sullivan of Kansas, Alexander of Iowa and Viehmann of Indiana who were present did not engage in the discussion.

Mr. Day took issue with some of the opinions that had been expressed earlier in the day by Russell Matthias of the Chicago law firm of Ekern, Meyers & Matthias. Mr. Matthias made a strong plea for reliance mainly upon competition to keep rate levels where they should be and he criticized what he claims is an overemphasis on statistics. Mr. Day said it is important to have the kind of personnel in the insurance department that know how to give the proper weight to statistics. If a department is misinterpreting the law it would like to know in what respect it is doing that or if the law is not in the public interest effort should be made to change it. However, so long as the law is what it is, the requirements can't be ignored by the insurance department.

Tells Michigan Experience

Mr. Forbes, who is soon leaving office as commissioner, said that in 1943, prior to the S.E.U.A. decision and the all-industry bill there was fire and workmen's compensation rate regulation in Michigan. There was little rate competition in either of those lines. The only way in which he was able to determine whether a revision was fair and reasonable was on the basis of figures supplied by National Board or National Council on Compensation Insurance.

In the development of the all-industry bill, Mr. Forbes said there was a fine

give-and-take on the part of the insurance business. He said that in the Michigan legislature there was a proposal to prohibit the department from rejecting a rate filing if there were competition in the line that was affected. Mr. Forbes asked the sponsors of that bill whether his department had ever acted arbitrarily or capriciously on a rating matter. He was told that he had not and Mr. Forbes declared that he counseled the business to give the rating laws a fair trial before effort is made to amend them.

Air Knock-Knock Situation at Meet of Mich. Brass

LANSING, MICH.—The automobile insurance study committee of Michigan Assn. of Insurance Agents plans to register a protest with the Michigan department relative to adjustment tactics of some auto-writing insurers in Michigan. The situation was discussed at an executive committee meeting here presided over by C. Gilbert Waldo, Detroit, Association president.

The so-called "knock for knock" method of handling adjustments is arousing public resentment, according to the volume of complaints filed with agencies. Such a method of offsetting claims against each other where both motorists are insured was said to be unfair to policyholders.

Also coming under discussion were

hospital insurance, war damage insurance and Michigan legislation.

Gerry Fauth, Flint, was named to the committee to fill the vacancy created by the recent death of Walter Mooney, prominent Flint agent. Mr. Mooney's services to the association were eulogized.

Mutual Rallies in Wis.

A series of four regional educational meetings was conducted by 1752 Club of Wisconsin and Wisconsin Federation Mutual Insurance Companies, in cooperation with Wisconsin Assn. of Mutual Insurance Agents. The sessions were held at Milwaukee, Madison, Eau Claire and Wausau. Robert Krieger, Germantown Mutual, club president, presided. A panel discussion on "The Essential Values of Your Agency" was conducted by Ed Gother, Harold Achtor and Herbert Otten, mutual agent association officers. E. J. Schlaefer, Union Mutual, spoke on "The Mutual Story." Dr. George Haskell, director of education of American Mutual Alliance, gave the mutuals' answer to the charge of tax favoritism.

Carter Southwestern Mgr.

Central Manufacturers Mutual of Ohio has opened a southwestern department with headquarters at Dallas and has appointed J. D. Carter as manager. Mr. Carter has been manager of the Fort Worth office.



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INSURANCE NEWS BY SECTIONS

MIDDLE WESTERN STATES

Mo. Mutual Agents Elect E. V. Thompson as President

Missouri Mutual Agents Assn. at the annual meeting at Jefferson City elected Emmett V. Thompson, senior partner of Thompson, Kincade, Hill & Powers of St. Louis, one of the founders of the National association, as president. Mr. Thompson was president of the national body for two years shortly after it was organized.

Vice-presidents elected are: John Giovannini, Kirksville; Jerry Handley, Springfield; A. G. Keller, Cape Girardeau; Francis Ittner, St. Louis; Earl Powell, Booneville, and Ralph Williams, Kansas City. Frank Manson, Desloge, was reelected secretary-treasurer.

Lead-off speaker was Philip L. Baldwin, executive secretary of the National association, followed by O. M. Earl, vice-president of Grain Dealers National Mutual Fire. Missouri 1752 Club conducted a panel of fire and casualty questions.

A guest at the banquet was Superintendent Leggett of Missouri, and the address was given by Dr. George D. Haskell of American Mutual Alliance.

The second day was opened with the talk of J. Earl Miller, Employers Mutual Casualty of Des Moines, on "Trends in Casualty Insurance," and Mr. Haskell talked on "Trends and the Future in Mutual Insurance."

Missouri 1752 at its annual meeting conducted concurrently, elected William N. Smith, Iowa National Mutual as president; James M. Worland, Mill Owners Mutual, vice-president; W. W. Dow, Lumbermen's of Ohio, secretary-treasurer. The club will hold four clinics in Iowa during the fall and spring.

Form New Assn. in Mich.

Tri-County (Mich.) Assn. of Insurance Agents was organized at a meeting at East Tawas of agents from Arenac, Iosco and Ogemaw counties. Waldo O. Hildebrand, Michigan association secretary-manager, attended the meeting. John C. Elliott, East Tawas, was named president; Ralph Nuttall, Standish, vice-president, and Esther Diebold, West Branch, secretary.

Myers in Decatur Agency

Ralph C. Myers has resigned as state agent for Crum & Forster with headquarters at Decatur, Ill., to become a partner in the Creighton-Jackson Co. agency at Decatur. The agency is 28 years old and for the past nine years the principals have been Charles M. Creighton and James W. Jackson. Mr. Myers has been an insurance man 18 years, the last 11 with Crum & Forster. He attended Butler university.

Mich. Mutual Gathering

Michigan Assn. of Mutual Insurance Agents had its annual convention at Grand Rapids. Speakers included T. J. McGlynn, vice-president of Wolverine Mutual; William Flint of the insurance department, James Gregory of Rough Notes, Gerry Seider of Badger Mutual, Carl L. Strong of Michigan State College and Earl A. McIntyre, assistant professor of journalism at Michigan State College.

To Study County Coverage

JEFFERSON, WIS.—A committee has been appointed to study insurance on county buildings and contents. The action was taken following charges of inadequacy and inequality in present coverage and suggestions for consideration of self insurance or use of the state fund.

Glass Is Put on Activities of Mich. Public Adjusters

LANSING, MICH.—Activities of public adjusters are under a general study by the Michigan department. Members of Michigan Assn. of Insurance Agents are being asked by their headquarters office here to inform the department of any information they have relative to public adjuster operations or "the related subject of repair contractors."

In a bulletin, Waldo O. Hildebrand, association secretary-manager, comments "that while a public adjuster can perform a valuable service, it is also true that misrepresentation and unethical practices are increasing. The assistance rendered by a public adjuster in losses where coinsurance is not involved and/or the damage obviously exceeds the amount of insurance in force is questionable. The unwarranted loss to an insured of a 10% fee in instances where coverage is inadequate seems senseless indeed."

He continued that agents are in the best position to combat the misrepresentation of an unscrupulous public adjuster because they know the insured and the risk.

Vogt Crane Co. Partner

Henry T. Vogt has been made a partner in the Charles L. Crane Agency Co., St. Louis. He has been with the Crane Agency since 1949 and before that had served for two years as assistant manager at St. Louis for the National Surety. Earlier he had been for many years with Maryland Casualty Co. there, starting as a claim man and advancing to resident manager.

SOUTH

Texas and Arkansas General Agents Hold Joint Meeting

A joint meeting of Texas Assn. of Managing General Agents and Arkansas Assn. of General Agents was held at Texarkana. Problems common to both associations were discussed. Leslie Anderson, president of Texarkana Local Agents Exchange, gave the welcome and opening address and the response was by J. O. Smith of Trezevant & Cochran, Dallas. The two associations were hosts to the Texarkana Exchange at a luncheon.

It was decided that at some future date Louisiana Assn. of General Agents would be invited to attend a meeting with the Arkansas and Texas associations, probably at Shreveport.

Carl E. Stanton Is Head of Insurors of Memphis

Carl E. Stanton of Stanton & McGee has been elected president of Insurors of Memphis; vice-president is Edward L. Bailey of John J. Bailey & Co., and secretary is T. K. Robinson of Robinson-Johnson who is known as Mr. Insurance in organization affairs in his city. The board members are: Clark Wade, W. T. Avery, Sidney W. Genette, Louis McDonnell, W. M. Vaughan, and James H. Wetter.

Holmes at Chattanooga

CHATTANOOGA — Stating that Tennessee Assn. of Insurance Agents is now more truly representing both large and small agencies of the state than ever before and citing the very favorable outcome of the insurance program

in the 1951 state legislature, President John A. Holmes, Ripley, addressing Insurors of Chattanooga, declared that "continuation of this progress is absolutely dependent on the cooperation and real, personal, constructive effort on the part of the individual member of the organization." C. B. Shelton, Jr., president of the local board, announced plans for the election of officers at the June meeting. President Holmes, who addressed the Nashville Insurance Exchange the previous day was accompanied by George L. Goss, executive secretary.

Plan Florida Short Course

For the seventh year, Florida Assn. of Insurance Agents will conduct a short course insurance school this summer. Sessions will begin on the campus of the University of Florida Aug. 20, and will continue for four or five days.

The curriculum will include an introductory course for beginners, a series of standard courses for more advanced students on policy forms and coverage, and an agency management course.

Open New S. W. Quarters

The new southwestern office of Pacific Employers at 1205 Holman avenue, Houston, was formally opened at a reception Tuesday afternoon. R. G. Waters is resident vice-president in charge.

EAST

Deductibles, AEC Opposed by Vermont Association

At its spring meeting at Woodstock, Vermont Assn. of Insurance Agents went on record as opposing deductibles in any form and also the new additional extended coverage endorsement. A talk by W. S. Vanderbilt, secretary of Hartford Fire, in which he gave an optimistic preview of the farm program in New England Fire Insurance Rating Assn. territory, was reported in last week's issue.

It was brought out in a legislative committee report that only a strong financial responsibility law can head off compulsory insurance in the next legislature. Compulsory insurance in Vermont was averted in the 1951 session by only a narrow margin. It was announced that the association's executive committee has adopted a resolution favoring an installment plan for term premiums by organization stock companies. The endorsement was actually one of principle, since no particular plan was mentioned.

In his first appearance before the agents, Alexander H. Miller, new commissioner, said that patience, judgment and prudence on the part of insurance men are necessary during the present national emergency.

Van Orman C.P.C.U. Speaker

Frank Van Orman, vice-president of American, and general counsel of Bankers Indemnity, spoke on "The Legal Aspects of Contractual Liability Insurance" at the "candidates' dinner" of the New Jersey C.P.C.U. chapter at Newark.

Pittsburgh Commencement

Commissioner Leslie of Pennsylvania is to deliver the commencement address at the graduation exercises of Pittsburgh's insurance schools May 28. This will be held at a luncheon. Diplomas will be presented to 42 students who successfully completed either the elementary or advanced insurance course, 1950-1951 term. The elementary school is conducted by

Insurance Women of Pittsburgh. Its graduates will receive their diplomas from Opal F. Edgar of National Union Indemnity, immediate past president of the organization, and Emilie R. Schiller of H. W. Schmidt Company, chairman of the education committee.

The advanced course is conducted under the joint sponsorship of Insurance Club of Pittsburgh, Pittsburgh Assn. of Insurance Agents and the school's alumni association. Its graduates will receive certificates from National Assn. of Insurance Agents through William A. Shaw, immediate past president of the Pittsburgh association, and diplomas through Edward D. Sweet, immediate past president of the club. Dewey Clark will preside as director of the Pittsburgh insurance school.

Jules H. Wiederkehr, Massachusetts Bonding, was elected president of Bowling League of Insurance Club of Pittsburgh at the annual banquet.

COAST

Recent Meetings Reviewed at King County Meeting

The King County Insurance Assn. May luncheon meeting at Seattle featured reports on the N.A.I.A. board meeting at New York and the Far West Agents Conference at San Francisco by H. P. Sargent, president Washington association; LeRoy Hunter, William C. Greer and R. C. Jenner.

President Thomas A. Harman asked the membership to give some thought to the trend toward term installment premium payment plans for fire insurance as well as deductible fire insurance.

Seattle Mutual Suspended

Commissioner Sullivan of Washington has notified Washington Ins. Co., Seattle mutual, and all its agents that the company's license has been suspended.

The mutual, which commenced business in 1949, was licensed to write property and motor vehicle coverages. It had written a small volume of business and the last published statement showed annual premiums of \$40,843 and total income \$50,843. Policyholders surplus was \$3,608. It is understood that since those figures were filed the company's surplus has become impaired.

Opens Portland Office

Republic of Texas has established a service office at Portland, Ore., with Thomas O. Maitre in charge. He was formerly with the company as a field man in southern California.

Previously, the Oregon field was serviced by the Seattle office which is in charge of Robert Black, district manager.

Oregon Mutual Shifts

Ashley Dickinson, who has been manager at Spokane for Oregon Mutual Fire, has been appointed manager at Seattle. James Eldredge succeeds him at Spokane.

A. W. Elvin to Boise Post

A. W. Elvin, field man for the Kolob Corp., prominent general agency at Salt Lake City, for 10 years, has resigned to become manager at Boise, Ida., for Stuart G. Thompson-Elwell Co., Seattle general agent.

N. M. Convention Dates Set

The annual meeting of New Mexico Insurance Agents Assn. will be held Sept. 21-22 at the La Fonda Hotel, Santa Fe.

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A woman's prayers, overheard in a lonely forest, launched the career of one of America's foremost educators, William Holmes McGuffey. While riding along a trail in 1818, the Reverend Thomas Hughes, a prominent pioneer, heard a woman praying that her children might receive an education. As a result of his investigation he arranged to have her stepson William McGuffey attend the Old Stone Academy in Darlington, Pa. Though the family considered this episode a miracle, in later years McGuffey himself used to remark quizzically that his practical stepmother probably timed her prayer to be heard both by the Almighty and His earthly representative.

Born on the Pennsylvania frontier in 1800, McGuffey as a boy received only rudimentary education. Even after entering the academy his home duties prevented full-time attendance. He memorized his lessons, however, and recited them aloud while at his chores, thus developing his renowned oratorical ability and the memory which enabled him to repeat verbatim many books of the Bible.

After working his way through Washington College and teaching summers, McGuffey became a professor at Miami University in Oxford, Ohio. Here in 1833 he and his wife moved into their new home (now owned by Miami University) where the idea was born for the readers which made his name a household word. Here, with his own and neighbors' children, he tested his theories of education, often holding classes outdoors with pupils seated on logs. His highly successful series of readers incorporating his teaching methods proved far superior to earlier textbooks not only in their carefully graded material but in the use of numerous illustrations which appeared in later editions.

A striking figure in his black bombazine suit and stovepipe hat, McGuffey was an unforgettable teacher and his readers had untold influence on the mental and moral development of generations of schoolchildren.